Contango. Asset Management

Contango Asset Management Limited and Controlled Entities

ACN: 080 277 998

Annual Report
2020-2021

Letter from the Chairman

Roger Amos

Chairman
Contango Asset Management Limited

Dear Shareholder,

I am pleased to present Contango Asset Management Limited's (**Contango** or the **Company**) Annual Report for the year ended 30 June 2021 (**FY2021**).

The 2021 financial year was one of growth and progress for the Company, as it completed its shift from a product manufacturer to a marketing and distribution platform.

The business has developed a platform that provides fund managers with an end-to-end retail distribution solution which promotes their brand and grows funds under management (**FUM**). Contango's platform consists of an experienced distribution team that targets the intermediary market, with access to the highly sought-after direct investor channel through exclusive marketing relationships and Contango's own retail investor database.

During the year, the Company's FUM grew by approximately 79% with net inflows of funds recorded in every month throughout FY2021. These positive inflows were complemented by strong investment performance.

The important components for the continuing success of the Company relate to the marketing and distribution of our retail product set. In this regard, the Company will continue to invest in the distribution capability required to grow our existing products organically in the advised and self-directed markets.

The growth of the Company during the year has been made possible by the drive and energy of the Company's Chief Executive Officer, Mr Martin Switzer, and his management team. The Board is very much looking forward to building on the success of the Company in FY2021 and continuing the growth trajectory into FY2022.

I would like to thank my fellow Directors for their support and oversight throughout the year, and our loyal shareholders for supporting our vision. We look forward to welcoming you to the Annual General Meeting on 11 November 2021.

Yours Sincerely,

Roger Amos.

Roger Amos
Chairman

Managing Directors' Report

Dear Shareholder,

I am pleased to present this report for Contango Asset Management Limited and its Controlled Entities (the **Group** or **Contango**) for the year ended 30 June 2021 (**FY2021**).

Overview of Contango

Contango is a financial services company with a unique and well regarded marketing and distribution platform that partners with, and promotes, high quality fund managers to the self-directed and Independent Financial Adviser channels of the $3.3 trillion[1] Australian superannuation industry.

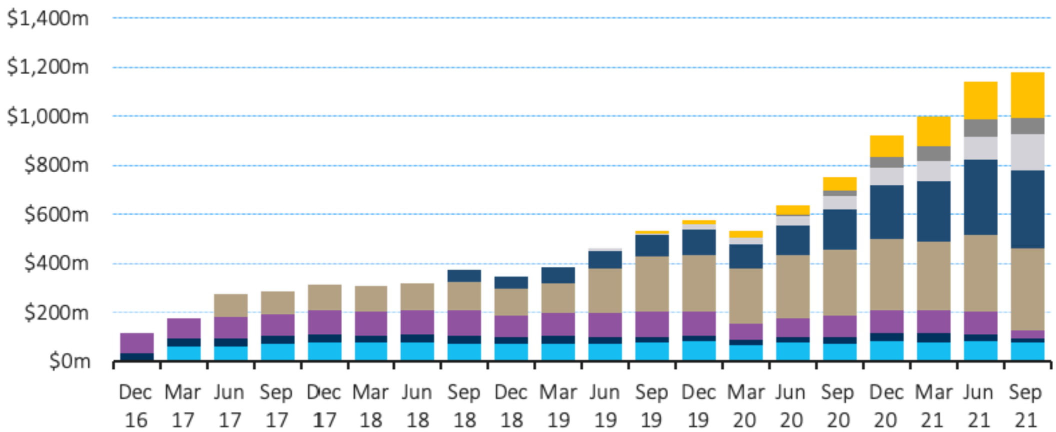
FY2021 saw the completion of the Group's transition from product manufacturer to a marketing and distribution platform. Contango now has an operating structure and business model that will allow it to grow funds under management (**FUM**), build scale and soon reach profitability.

Funds Under Management

The Group's FUM grew to $1.143 billion at 30 June 2021 (30 June 2020: $638.1 million) driven by strong net fund inflows over the year of $323.2 million.

The key drivers of growth were a combination of net inflows and positive investment performance across the suite of investment products managed by WCM Investment Management (**WCM**). Since 1 January 2017, the Group has seen FUM growth of more than $1.030 billion.

The below chart shows the strong growth in retail FUM since 2017:



NB: Excludes Contango Microcap management rights reassigned in October 2017.

Global Equity Funds

- WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX:WCMQ)
- WCM Quality Global Growth Fund (Managed Fund) - Class A (Unhedged)
- WCM Quality Global Growth Fund (Managed Fund) - Class B (Hedged)
- WCM International Small Cap Growth Fund (Managed Fund)

Australian Income Funds

- Switzer Higher Yield Fund (Managed Fund) (CHI-X:SHYF)
- Switzer Dividend Growth Fund (Quoted Managed Fund) (ASX:SWTZ)

Listed Investment Companies

- WCM Global Growth Limited (ASX:WQG)
- WCM Global Long Short Limited (ASX:WLS) (Formerly Contango Income Generator Limited (ASX:CIE))

Since the financial year end, Contango has experienced further strong growth in FUM. As at 30 September 2021, the Group's FUM was $1.179 billion, demonstrating the success of its business model in supporting its continued growth trajectory.

[1] As at 30 June 2021. Source: The Association of Superannuation Funds of Australia

Overview of Results and Operations

The Group's total revenue for FY2021 was $5,720,000 (FY2020: $4,933,000). The Group's net loss after tax for FY2021 was $800,000 (FY2020: net loss after tax of $1,163,000).

The Group's management and service fees in FY2021 totalled $5,190,000 (FY2020: $4,243,000) representing an increase of 22% underpinned by the Group's strong growth in FUM across its product suite. The increase in management and service fees is consistent with the increase in the average level of FUM over the period. The Group earned performance fees from both its WCM Quality Global Growth Equity Strategy and WCM International Small Cap Growth Strategy portfolios totalling $128,000 (FY2020: $165,000).

The Group's results for the reporting period include costs in excess of $450,000 before tax primarily related to the strategic transition of the Group's business, from a financial products manufacturer to a distributor, which was successfully completed in the second half of FY2021. Other strategic initiatives taken throughout FY2021 included activities that directly grew FUM, significantly increased the Company's retail investor base, and further developed the Group's marketing and distribution capabilities.

The Group remains well capitalised. Contango held cash of $5,525,000 and had a receivable from NAOS Asset Management Limited of $1,660,000 (being $7,345,000 in total), with debt of $1,252,000 as at 30 June 2021. The receivable from NAOS represents the final instalment payable to Contango in June 2022 in consideration for the assignment of an investment mandate in October 2017. This receivable is included in the Consolidated Statement of Financial Position as at 30 June 2021 at its discounted value of $1,552,000 in accordance with accounting standards.

Partnership with WCM

WCM is a top quartile global and international equities specialist with total FUM of over A$130 billion[2]. Based in Laguna Beach, California, WCM's investment process is based on the belief that corporate culture is the biggest influence on a company's ability to grow its competitive advantage or 'moat'. This investment process has resulted in the WCM Quality Global Growth Equity Strategy Composite outperforming the MSCI World Index by 5.5% per annum over the past decade.

Contango has an exclusive retail distribution arrangement to distribute WCM's investment strategies into the Australian market. WCM's superior investment performance has contributed to the Group's FUM growth over recent years and will be a key factor in driving future FUM inflows. Since partnering with Contango in June 2017, WCM now has over $1.082 billion[3] in FUM in Australia across its suite of retail and wholesale products.

A key priority for the Group over the reporting period was to continue to build WCM's global equities brand in Australia in both the direct and financial advisory markets. Activities that have been undertaken by Contango to achieve this include:

- implementing targeted investor and advisor engagement strategies;
- co-ordination of live-streamed events through channels such as the Switzer Financial Group;
- hosting regular investor and advisor webinars with key WCM investment personnel;
- engaging with industry participants such as consultants, research houses and wealth platforms;
- enhancing ongoing digital communication with investors and advisers;
- national advertising campaigns increasing investor and advisor awareness of the WCM brand; and
- individual manager roadshows targeted at the advisor and broker channels.

[2] As at 30 June 2021. Source: WCM Investment Management.
[3] As at 30 September 2021. Source: NAB Asset Servicing.

Global Equities Update

The WCM "large cap", "small cap" and "long short" strategies continued to provide investors with strong investment returns over the reporting period and maintained their long-term outperformance against their respective benchmarks. The investment returns were achieved notwithstanding a pronounced market rotation away from growth towards value and low-quality factors during the March 2021 quarter.

WCM Quality Global Growth Equity Strategy Composite

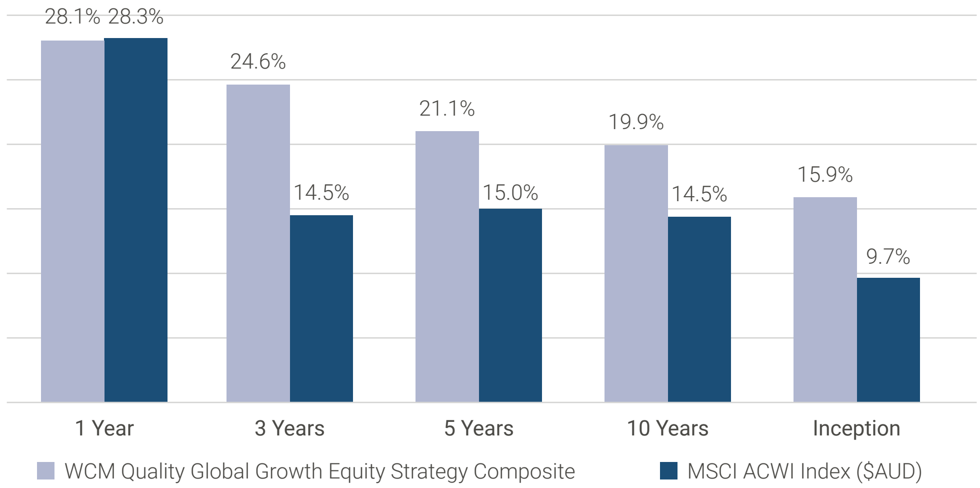
WCM Quality Global Growth Equity Strategy Composite is WCM's "large cap" strategy which delivered a return of 28.1% over the reporting period, in line with its benchmark, the MSCI All Country World Index. The rolling 3 years, 5 years, and since inception returns for the strategy continue to be comfortably above the benchmark.

The WCM Quality Global Growth Equity Strategy (ex-Australia) is accessible to Australian retail investors through the Group's three investment products, being:

- WCM Global Growth Limited (ASX:WQG), a listed investment company;
- WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX:WCMQ), an exchange-traded managed fund; and
- WCM Quality Global Growth Fund (Managed Fund), an unlisted managed fund offering both hedged and unhedged units.

Each investment product provides exposure to the same underlying portfolio of quality global companies, excluding Australia.

Annualised returns of the WCM Quality Global Growth Equity Strategy Composite[4] versus its benchmark are shown below:



WCM Global Growth Limited (WQG)

WQG is an ASX listed investment company which continued to deliver outstanding results to its shareholders in FY2021.

Since WQG's listing in June 2017, Contango has worked in conjunction with the WQG Board to develop strategies to enhance shareholder value and grow the company. The most recent examples of this being WQG's Dividend Policy and Dividend Reinvestment Plan (**DRP**) and Bonus Option Issue.

[4] Data as at 30 June 2021. Performance is in AUD, net of fees and includes the reinvestment of all income. Past performance is not indicative of future performance. WCM applies the same investment principles, philosophy and execution approach of its WCM Quality Global Growth Equity Strategy Composite (**QGG**), which was created on 31 March 2008, to WCM Global Growth Limited, the WCM Quality Global Growth Fund (Quoted Managed Fund) and the WCM Quality Global Growth Fund (Managed Fund). It should be noted that due to certain factors, there may be variances between the investment returns demonstrated by each portfolio in the future. The benchmark for QGG is the MSCI All Country World Index (MSCI ACWI). For further information please refer to contango.com.au.

Dividend Policy and DRP

In July 2020, WQG announced the commencement of partial franking of its dividends, together with the implementation of a DRP in relation to its final dividend of 2.0 cents per share for the 2020 financial year (**FY2020**). Contango in support offered WQG shareholders a one-time DRP participation incentive for the FY2020 final dividend which was paid in September 2020.

WQG further enhanced its dividend policy, announcing on 17 February 2021 the commencement of fully franked dividends, where possible, and declaring a fully franked interim dividend of 2.0 cents per share for FY2021. Since the financial year end, WQG further advised that it was implementing a progressive dividend policy with the declaration of an increased final fully franked dividend for FY2021 of 2.5 cents per share.

The strong support from WQG's shareholders for the DRP has continued, with the DRP participation rate being one of the highest for any listed investment company.

Bonus Option Issue

The Contango team worked closely with the WQG Board to design and develop a loyalty initiative to reward WQG shareholders for their ongoing support.

On 17 February 2021, WQG issued eligible shareholders with bonus loyalty options (**Options**). The Options were issued on a one (1) for three (3) basis allowing the holders to subscribe for new WQG shares at a fixed price of $1.50 per share. The Options are listed on the ASX under the code "WQGOA" and commenced trading on 14 April 2021. The Options are exercisable any time up to and including 31 August 2022.

Contango believes that the initiative rewards the loyalty and ongoing support of WQG's existing shareholders as well as providing potentially significant longer-term benefits to WQG shareholders including:

- expanding WQG's scale and increasing the liquidity of WQG shares;
- increasing the breadth and depth of the WQG shareholder base;
- lowering WQG's fixed operating cost per share; and
- reinforcing WQG's position as a leading global equities listed investment company.

As at 30 September 2021, approximately 12.2 million Options had already been exercised.

WCM Quality Global Growth Fund (Quoted Managed Fund) (WCMQ)

WCMQ is an exchange-traded managed fund that is well supported in the direct and intermediary channels and is approved for use on several leading wealth platforms.

At 30 June 2021, WCMQ's FUM had reached over $305 million, growing by over 150% from June 2020.

WCMQ paid an unfranked distribution of 23.0727 cents per unit to investors in respect of the year ended 30 June 2021.

WCM Quality Global Growth Fund (Managed Fund)

The WCM Quality Global Growth Fund (Managed Fund) is available to retail investors via several wrap platforms. A number of leading research houses have initiated coverage on the fund with two providing 'Recommended' ratings. The fund is approved for use on several of Australia's market leading wealth platforms and is included in a number of model portfolios with various financial planning groups.

In June 2020, in response to investor demand, Contango added a new class of units (Class B) to WCM Quality Global Growth Fund (Managed Fund). Class B units are hedged back into Australian dollars to reduce the risk associated with exposure to international currencies. The Class B units have been well supported and have been awarded a 'Recommended' rating by a leading research house.

At 30 June 2021, the unhedged Class A units had FUM of approximately $92 million and the hedged Class B units had FUM of approximately $71 million, together growing the WCM Quality Global Growth Fund (Managed Fund) FUM to a combined total of $163 million. This represents an increase in FUM of 265% from 30 June 2020.

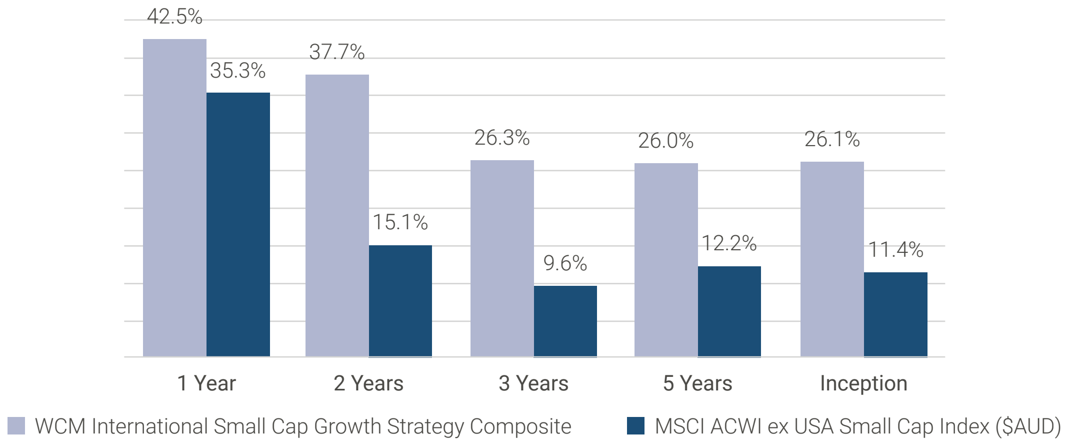
Class A units paid an unfranked distribution of 21.5387 cents per unit to investors, and Class B units paid an unfranked distribution of 44.1184 cents per unit to investors, in respect of FY2021.

WCM International Small Cap Growth Strategy Composite

The WCM International Small Cap Growth Strategy Composite delivered a return of 42.5% in FY2021, significantly outperforming its benchmark, the MSCI ACWI ex USA Small Cap Index, by 7.2%. The rolling 2 years, 3 years, 5 years, and since inception returns for the strategy also well exceed the benchmark.

The WCM International Small Cap Growth Strategy Composite is available to wholesale investors via the WCM International Small Cap Growth Fund (Managed Fund), an unlisted managed fund.

Annualised returns of the WCM International Small Cap Growth Strategy Composite[5] versus its benchmark are shown below:



WCM International Small Cap Growth Fund (Managed Fund)

The WCM International Small Cap Growth Fund (Managed Fund) is a wholesale vehicle targeted at leading wealth managers and high net worth investors. Due to global demand and outstanding investment performance, access to this strategy for new investors is expected to close in the coming months.

At 30 June 2021, the fund had FUM of approximately $153 million, growing by over 290% from 30 June 2020.

The WCM International Small Cap Growth Fund (Managed Fund) paid an unfranked distribution of 49.153172 cents per unit to investors in respect of FY2021.

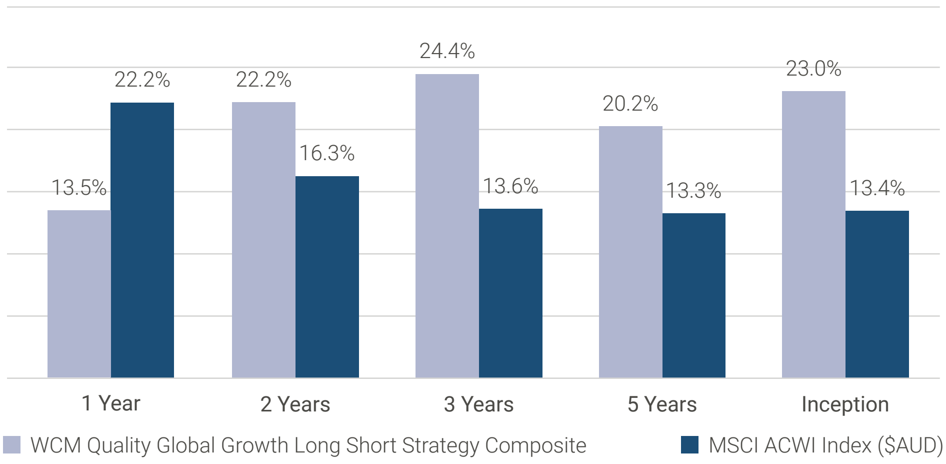
[5] Data as at 30 June 2021. Performance is in AUD, net of fees and includes the reinvestment of all income. Past performance is not indicative of future performance. WCM applies the same investment principles, philosophy and execution approach of its WCM International Small Cap Growth Composite (**SIG**), which was created 31 December 2014, to the WCM International Small Cap Growth Fund (Managed Fund). It should be noted that due to certain factors, there may be variances between the investment returns demonstrated by each portfolio in the future. The benchmark for SIG is the MSCI ACWI ex-US Small Cap Index. For further information please refer to contango.com.au

WCM Quality Global Growth Long Short Equity Strategy Composite

The WCM Quality Global Growth Long Short Equity Strategy Composite has, since its inception on 30 June 2014, generated a return of 23.0% per annum, outperforming its benchmark, the MSCI All Country World Index, by an annualised 9.6% per annum[6].

The WCM Quality Global Growth Long Short Equity Strategy has recently been made available to investors via WCM Global Long Short Limited, an ASX listed investment company.

Annualised returns of the WCM Quality Global Growth Long Short Equity Strategy Composite versus its benchmark are shown below:



WCM Global Long Short Limited (ASX:WLS) (formerly Contango Income Generator Limited (ASX:CIE))

On 18 September 2020, CIE's shareholders approved the adoption of a new strategy for CIE's investment portfolio, namely a global long short strategy managed by WCM. The WCM Quality Global Growth Long Short Equity Strategy (**QGLS**) is the latest addition to the WCM product suite that is promoted by Contango to its Australian clients.

On 15 January 2021, the Board of CIE entered into a binding term sheet with WAM Capital Limited (**WAM**) and WAM's investment manager in relation to a selective buy-back of WAM's 69.6% holding of ordinary shares in CIE following the close of WAM's takeover offer for CIE on 13 November 2020.

At an Extraordinary General Meeting of CIE held on 14 July 2021 CIE shareholders approved a special resolution to buy-back WAM's 69.6% holding of ordinary shares in CIE and approved a change of name to WCM Global Long Short Limited (**WLS**).

With the adoption of the new name and strategy, Contango is now working with the Board of WLS on several initiatives to market the WCM long short strategy.

[6] Data as at 30 June 2021. Performance is in AUD, net of fees and includes the reinvestment of all income. Past performance is not indicative of future performance. WCM applies the same investment principles, philosophy and execution approach of its WCM Quality Global Growth Long Short Strategy (**QGLS**), which was created 30 June 2014, to the Contango Income Generator Limited portfolio. It should be noted that due to certain factors, there may be variances between the investment returns demonstrated by each portfolio in the future. The benchmark for QGLS is the MSCI All Country World Index (MSCI ACWI). For further information please refer to contango.com.au.

Income Update

Contango has two income products that are targeted at the direct and intermediary market – the Switzer Higher Yield Fund (Managed Fund) (**SHYF**) and the Switzer Dividend Growth Fund (Quoted Managed Fund) (**SWTZ**).

During FY2021, Contango announced that it had partnered with two best of breed investment managers to manage these products with retail interest in the advised and self-directed markets.

Switzer Higher Yield Fund (Managed Fund) (SHYF)

On 2 December 2020, Contango announced the appointment of Coolabah Capital Institutional Investments, a leading active credit manager, to manage SHYF.

SHYF is a zero-duration bond fund that seeks to provide investors with an attractive cash yield with low capital volatility by investing in a portfolio of high quality and liquid fixed income securities.

The existing $23 million fund was re-launched as a quoted managed fund with its units quoted on the Chi-X Australia Exchange on 23 December 2020. Investors may purchase and redeem units in SHYF via their broker or directly with Switzer Asset Management Limited, the responsible entity.

SHYF was the first fixed income product in Australia to launch as a quoted managed fund and just the third product to use this structure.

Since the re-launch of the fund, SHYF has delivered a return of 1.3% net of fees, which exceeds the 0.8% return for its benchmark of RBA Cash Rate + 1.5%.

Switzer Dividend Growth Fund (Quoted Managed Fund) (SWTZ)

On 21 April 2021, Contango announced the appointment of Blackmore Capital Pty Limited (**Blackmore**) to manage SWTZ.

SWTZ aims to provide investors with tax effective income and long-term capital growth by investing in a core portfolio of blue-chip Australian shares.

With the appointment of Blackmore as the investment manager of SWTZ, Contango's transition from a product manufacturer to a marketing and distribution platform was completed.

At 30 June 2021, SWTZ had 2,495 unitholders and FUM of approximately $82 million. While the current landscape has been challenging for value oriented, yield generation stocks, SWTZ has delivered on its objective of providing a consistent and reliable income stream for its investors.

For FY2021, the fund delivered a return of 25.6% net of fees, marginally below its benchmark, the ASX200 Accumulation Over Index, of 27.8%. SWTZ paid a distribution yield of 2.9%, or 4.2% including franking credits, in FY2021.

Growth in Retail Investor Base

As at 30 June 2021, Contango had 14,460 direct unitholders and shareholders across its product suite. This is an increase of 18.6% during FY2021.

The Year Ahead

Contango's strategic priorities for the year ahead are to sustain its growth in FUM, to deliver exceptional client service through its marketing and distribution platform, to strengthen its existing manager partnerships, and identify best of breed partners for the launch of new products through Contango's well regarded distribution platform.

The Group's future results will largely depend on a combination of its ability to grow and retain FUM, strong investment performance of its funds, and partnering with new, high quality fund managers. This will be supported by the continued commitment to invest in the future growth of the business in a prudent manner, while maintaining a strong focus on costs.

With an operating structure and business model that can grow FUM and build scale, the Group is set to achieve profitability shortly and realise its long-term growth objectives.

Yours Sincerely

Martin Switzer
CEO and Managing Director
Contango Asset Management Limited

Martin Switzer

CEO and Managing Director
Contango Asset Management Limited

FINANCIAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2021

Contango Asset Management Limited and Controlled Entities

ACN: 080 277 998

Contents

Corporate Information

This financial report covers the consolidated entity comprising Contango Asset Management Limited and its controlled entities (**the Group**) for the financial year ended 30 June 2021.

The functional and presentation currency of the Group is Australian Dollars ($).

Directors

Roger Amos (Chairman)
Martin Switzer (Managing Director)
Nerida Campbell
Ken Poutakidis

Company Secretaries

Anthony Rule
Kristy Do (Appointed 1 July 2021)

Principal Place of Business

Level 6
10 Spring Street
Sydney NSW 2000

Telephone: +61 2 9048 7888

Registered Office

Level 6
10 Spring Street
Sydney NSW 2000

Telephone: +61 2 9048 7888

Share Register

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

Ph: +61 2 8280 7111

Auditors

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000

Stock Exchange Listings

The Company is listed on the
Australian Securities Exchange

ASX Code – CGA

Corporate Governance Statement

The Board and management of Contango Asset Management Limited (**the Company**) are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and has complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed and provides reasons for not following such Recommendations (**the Corporate Governance Statement**).

The Corporate Governance Statement is accurate and up to date as at 16 August 2021 and has been approved by the Board.

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement is available for review on the Company's website (www.contango.com.au) and will be lodged together with an Appendix 4G at the same time that the Company's Annual Report is lodged with ASX.

The Appendix 4G will identify each Recommendation that needs to be reported against by the Company and will provide shareholders with information as to where relevant governance disclosures can be found.

The Company's corporate governance policies and charters are all available on the Company's website (www.contango.com.au)

Directors' Report

The Directors of Contango Asset Management Limited (**the Company**) present the financial report for the Company and its controlled entities (**the Consolidated Entity** or **the Group**) for the financial year ended 30 June 2021.

1. General Information

Directors

The names of the Directors in office at any time during, or since the end of, the financial year are:

ROGER AMOS
Non-Executive Chairman

MARTIN SWITZER
Managing Director and Chief Executive Officer

NERIDA CAMPBELL
Non-Executive Director

KEN POUTAKIDIS
Non-Executive Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Information on Directors

The skills, experience and expertise of each person who is a Director of the Company during the financial year is provided below, together with details of the Company Secretaries.

Roger Amos

FCA, FAICD
Non-Executive Chairman

Roger was appointed to the Board of Contango Asset Management Limited in June 2007 and became Chairman six months later. He was a former director of Austar United Communications Limited, Enero Group Limited and REA Group Limited. He was also a director of 3P Learning Limited. Roger previously had a long and distinguished career with the international accounting firm KPMG, retiring in June 2006 after 25 years as a partner.

SPECIAL RESPONSIBILITIES:
Chairman

OTHER CURRENT DIRECTORSHIPS:
Roger is an independent director of HT & E Limited.

Martin Switzer

B. Econ (Hons)
Executive Director

Before his appointment as Managing Director and Chief Executive Officer, Martin was previously the Chief Operating Officer of Switzer Financial Group, a content and financial services business. He has been a host on the Sky News Business channel, as well as a consultant to the Australian Defence Force Financial Services Consumer Centre.

SPECIAL RESPONSIBILITIES:
Managing Director and Chief Executive Officer

OTHER CURRENT DIRECTORSHIPS:
Martin is currently a director of WCM Global Growth Limited and WCM Global Long Short Limited.

Nerida Campbell

B.Bus, CA, FINSIA, GAICD
Non-Executive Director

Nerida was appointed to the board on 17 August 2018 following a 25-year career in the financial services industry. Most recently she acted as the Chief Operating Officer of Magellan Financial Group Limited, having also held the roles of Chief Financial Officer and Company Secretary. Prior to this, Nerida was the CFO of UBS AG Australia, and had roles at ABN Amro Australia Limited, Bankers Trust Australia Limited and Ernst and Whinney. She was also a member of the ASX Disciplinary Tribunal Panel.

SPECIAL RESPONSIBILITIES:
Chair of Audit and Risk Committee

OTHER CURRENT DIRECTORSHIPS:
None

Ken Poutakidis

B.Bus
Non-Executive Director

Ken is a corporate advisor and corporate finance executive with over 20 years of finance experience. He is Managing Director and Founder of Avenue Advisory, a boutique advisory firm providing corporate finance and capital markets advice to emerging companies. He has previously served as Chairman of the Board and Non-Executive Director for numerous publicly listed ASX companies including NAOS Small Cap Opportunities Company Limited, Mach7 Technologies Limited and Top Shelf International Limited and Wellness and Beauty Solutions Limited.

SPECIAL RESPONSIBILITIES:
Chair of Remuneration and Nomination Committee

OTHER CURRENT DIRECTORSHIPS:
None

Company Secretary

The following persons held the position of Company Secretary during the financial year:

Anthony Rule

(Chief Financial Officer)

Anthony has over 17 years' experience in the financial services industry. During this time, he has held senior finance roles across both the publicly listed and private sectors including the Commonwealth Bank of Australia and most recently at Hunter Hall International where he held the role of Head of Finance and Operations. Anthony is also Company Secretary of ASX listed entities WCM Global Growth Limited and WCM Global Long Short Limited.

Anthony holds a Bachelor of Business, is a member of CPA Australia and a fellow of the Governance Institute of Australia.

Kristy Do

(General Counsel and Company Secretary)
(Appointed 1 July 2021)

Kristy Do has over 23 years' experience as a legal practitioner with over 19 years in the financial services industry. Prior to joining Contango Asset Management Limited, Kristy was General Counsel & Company Secretary for Nikko Asset Management, Company Secretary for Mirvac Group, Senior Lawyer for ANZ Wealth and a legal practitioner for Colins Biggers and Paisley. Kristy also spent 6 years with the Australian Securities and Investments Commission in enforcement litigation and compliance roles ending her service there as Manager of the Compliance Directorate for Financial Services responsible for ensuring compliance with Australian financial services law by large entities regulated by ASIC. Kristy is a co-opted member of the Board Governance Committee for Lifeline Australia. Kristy is also Company Secretary of ASX listed entities WCM Global Growth Limited and WCM Global Long Short Limited.

Kristy holds a Bachelor of Laws and Bachelor of Science (Architecture) degrees from the University of Sydney.

2. Principal Activities

The principal activity of the Group was the provision of funds management services to retail and wholesale clients.

3. Review of financial results and operations

The Group's total revenue for the year was $5,720,000 (30 June 2020: $4,933,000). The Group's net loss after tax for the year was $800,000 (30 June 2020: net loss after tax $1,163,000). Refer to the Managing Director's Report on page 3 for further information, including details on the Group's results, strategy and future outlook.

4. Significant changes in state of affairs

Other than stated above in the Review of Financial Results and Operations there were no other significant changes in the state of affairs of the Group during the financial year.

5. Events after the reporting date

On 2 July 2021, 172,500 options in the Company were exercised at a price of $0.60 per option. Following the exercise of these options, the Company has no options on issue.

On 14 July 2021, Contango Income Generator Limited, a listed investment company managed by the Group, held an Extraordinary General Meeting where its shareholders approved its change of name to WCM Global Long Short Limited, and a selective buy-back of shares of approximately $67 million. This reduced the Group's funds under management by approximately $67 million. In addition, the funds managed by the Company paid approximately $22 million in cash distributions (net of distribution reinvestment) to their respective investors in July 2021.

The Directors are not aware of any other matters or circumstances that have arisen since the end of the financial year which significantly affect or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

6. Dividends paid or recommended

No dividends were paid or provided for during the financial year and no dividend is recommended in respect of the year (2020: $nil).

7. Future developments and results

Refer to the Managing Director's Report on page 3 for information on future developments and results.

8. Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

9. Meetings of Directors

The number of meetings of the Company's Board of Directors and its committees held during the year ended 30 June 2021, and the number of meetings attended by each Director are:

	Directors' Meetings		Audit and Risk Committee		Remuneration and Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held
Roger Amos	16	16	4	4	3	3
Martin Switzer	15	15	N/A	N/A	N/A	N/A
Nerida Campbell	16	16	4	4	3	3
Ken Poutakidis	15	16	4	4	3	3

Held: represents the number of meetings held during the time the Director held office and which the Director was eligible to attend.

10. Indemnification and insurance of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors, the company secretaries, and all executive officers of the Company and of any related body corporate against a liability incurred as such by a Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and officers' liability, costs and charges, as such disclosure is prohibited under the terms of the contract. To the extent permitted by law and professional regulations, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of their engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made by the Company to Ernst & Young in this respect during or since the financial year ended 30 June 2021.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such by an officer or auditor.

11. Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all of those proceedings.

12. Non-audit services

Details of the amounts paid or payable to the auditor for non audit services provided during the financial year by the auditor are outlined in Note 28 to the consolidated 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 28 did not compromise the external auditor's independence for the following reasons:

- all non audit services are reviewed and approved to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with *APES 110: Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

13. Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C the *Corporations Act 2001* for the year ended 30 June 2021 has been received and can be found on page 22 of the financial report.

14. Rounding of amounts

The Company has applied the relief available to it under *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191*. Accordingly, amounts in the financial statements have been rounded to the nearest thousand dollars (unless otherwise stated).

15. Options

The number of options on issue at year end is 172,500 (2020: 345,000). Details of the options are set out at Note 20(a) to the consolidated financial statements.

Remuneration Report (Audited)

The Remuneration Report for the year ended 30 June 2021 outlines the Director and executive remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. For the purposes of this Report, key management personnel (**KMP**) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director of the parent company.

Remuneration policy

The Remuneration and Nomination Committee of the Board of Directors assists the Board to ensure that the Group:

- has a Board of Directors with the appropriate skills and experience to undertake its duties and responsibilities; and
- adopts appropriate remuneration policies and procedures which are designed to meet the needs of the Group and to enhance individual employee and corporate performance.

Non-Executive Directors' remuneration

On appointment to the Board, all Non Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of Director. The terms of service for all Non-Executive Directors is 3 years. The Remuneration and Nomination Committee sets the framework for Non-Executive Director remuneration.

Non-Executive Directors receive a fixed annual fee and compulsory superannuation contributions. They do not receive bonuses or incentive payments. The maximum annual aggregate total remuneration for Non-Executive Directors is $350,000 which was approved by shareholders at the annual general meeting of the Company held on 29 November 2004.

Executive remuneration

The Remuneration and Nomination Committee reviews and makes recommendations to the Board on the Group's executive and employee remuneration and incentive policies. The Group aims to reward its executives and employees based on their position and responsibility through a combination of fixed and variable components of remuneration.

- All executives and employees receive a salary package comprising a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and they may also be eligible to receive performance incentives.
- Short term incentives may be paid each year to executives and employees as a reward for the achievement of annual performance objectives.
- Performance incentives paid as share-based payments in the form of options or rights are intended to align the interests of executives with those of the Group's shareholders.

The Remuneration and Nomination Committee reviews executive salary packages annually by reference to the Group's performance, the individual executive's performance and comparable industry sector remuneration information.

The Group entered into an employment agreement with Martin Switzer as Managing Director on 22 August 2018 for no fixed term. With effect from 1 July 2018, Martin's total fixed remuneration is $430,000 per annum plus superannuation.

Under his employment agreement, Mr Switzer is entitled to incentive awards calculated by reference to his total fixed remuneration. Mr Switzer's incentive award maybe up to a maximum of 100% of his base salary comprising up to $150,500 in cash (35%) and up to $279,500 in rights over new shares in the Company (65%). 75% of the incentive award is dependent on achieving specified funds under management net inflows targets, and the remaining 25% of the incentive award is dependent on achieving other financial and non-financial metrics that have been set by the Board.

Termination of Mr Switzer's employment agreement can be made by either party with 6 months' notice (or payment in lieu), other than where employment is terminated for cause, in which case the Company can terminate with no notice period.

Remuneration changes in 2020/2021

In April 2020, Contango provided an update to the ASX on the impact of COVID-19 on its business, including that with effect from 1 April 2020 the Board had:

- reduced the CEO and Managing Director's base salary (inclusive of superannuation) by approximately 16%; and
- reduced non-executive directors' fees by 10%.

On 16 October 2020, Contango provided a further update to the ASX on its business, including that as a result of the resilience of the business the Board had restored the CEO and Managing Director's base salary to a level 8% below its pre-COVID-19 level. The Board further proposed the issuance of 60,303 new shares with a total value of $43,750 to the Managing Director and CEO in recognition of base salary forgone. The issuance of these shares is subject to shareholder approval at the Company's 2021 AGM.

The Non-Executive Directors' fees were fully reinstated from 1 January 2021.

The following table of benefits and payment details represents the components of the current year and comparative year remuneration expense for each member of the KMP of the Group. Such amounts have been calculated in accordance with Australian Accounting Standards.

Table of benefits and payments

		Short-term benefits			Post-employment		Long-term benefits		
Member	Year	Cash Salary & Fees $	Bonus $	Non Monetary $	Superannuation $	Other $	Long Service Leave $	Share based payments $	Total Remuneration $
Directors									
Roger Amos	2021	85,500	-	-	8,123	-	-	-	93,633
	2020	87,750	-	-	8,336	-	-	-	96,086
Martin Switzer[1]	2021	384,517	100,000	-	21,694	-	10,462	67,350[3]	584,023
	2020	412,497	-	-	21,003	-	5,440	8,600	447,540
Nerida Campbell	2021	47,500	-	-	4,513	-	-	-	52,013
	2020	48,750	-	-	4,631	-	-	-	53,381
Ken Poutakidis	2021	47,500	-	-	4,513	-	-	-	52,013
	2020	25,865	-	-	2,457	-	-	-	28,322
Charles Aitken[2]	2021	-	-	-	-	-	-	-	-
	2020	25,000	-	-	2,375	-	-	-	27,375
Total	2021	565,017	100,000	-	38,843	-	10,462	67,350	781,672
	2020	599,862	-	-	38,802	-	5,440	8,600	652,704

[1] Cash bonus was granted on 30 June 2021, which represents 24% of Mr Switzer's total base salary. This amount is yet to be paid at signing of the financial statements.

[2] Resigned on 17 December 2019

[3] The share-based payment amount in 2021 includes: 70,000 performance rights issued in December 2019 which vested in June 2021 ($23,600); and 60,303 shares ($43,750 using a VWAP of $0.7255) which will be issued subject to shareholder approval at the 2021 AGM.

Securities received that are not performance related

No KMP of the Group are entitled to receive securities which are not performance based linked as part of their remuneration package.

Description of shares issued as remuneration

On 17 December 2019, the Company issued 70,000 performance rights to the Managing Director. The issuance of these performance rights had been approved by shareholders at the Company's Annual General Meeting in November 2020. These performance rights vested and were exercised on 16 June 2021.

During the year 60,303 ordinary shares were approved by the Directors for issuance as remuneration to the Managing Director. The issuance is subject to shareholder approval at the Company's Annual General Meeting in November 2021.

All performance rights that were issued by the Company, entitle the holder to ordinary shares in Contango Asset Management Limited once exercised.

There were no loans advanced to KMP during the current or prior year.

KMP shareholdings

The number of ordinary shares in the Company held by each KMP of the Group during the financial year is as follows:

	Opening Balance 1 July 2020	Net Acquisitions/ (Disposals)	Closing Balance 30 June 2021
Directors			
Roger Amos	203,624	-	203,624
Martin Switzer	7,058,137	70,000	7,128,137
Nerida Campbell	95,000	-	95,000
Ken Poutakidis	566,666	-	566,666
	7,923,427	70,000	7,993,427

The number of shares or units held by each KMP and their related parties in the Group's listed investment companies or funds is as follows:

	Opening Balance 1 July 2020	Net Acquisitions/ (Disposals)	Closing Balance 30 June 2021
WCM Global Growth			
Martin Switzer	**20,000**	299	**20,299**
Roger Amos	**61,658**	1,838	**63,496**
Ken Poutakidis	**36,363**	1,084	**37,447**
WCM Quality Global Growth Fund			
Nerida Campbell	**20,000**	-	**20,000**
Martin Switzer	**17,300**	-	**17,300**
WCM Global Long Short		-	**-**
Martin Switzer	**72,000**	48,000	**120,000**
Roger Amos	**-**	39,000	**39,000**
Switzer Dividend Growth Fund			
Martin Switzer	**60,738**	1,712	**62,450**
Switzer Higher Yield Fund			
Nerida Campbell	**-**	755	**755**
WCM International Small Cap Growth Fund			
Nerida Campbell	**-**	9,987	**9,987**
	288,059	102,675	**390,734**

Performance Rights Granted as Remuneration

	1 July 2020	Grant Details			Vested		Lapsed	30 June 2021
	Balance at Beginning of Year	Issue Date	No.	Value $ (Note 1)	Exercisable No.	Value $	No.	Balance at End of Year
KMP								
Martin Switzer	70,000	17/12/2019	70,000	32,200	70,000	32,200	-	-
	70,000		70,000	32,200	70,000	32,200	-	-

Note 1 The fair value of performance rights granted as remuneration as shown in the above table has been determined in accordance with Australian Accounting Standards and will be recognised as an expense over the relevant vesting period to the extent that conditions necessary for vesting are satisfied.

Description of Performance Rights Issued as Remuneration

Details of the performance rights granted as remuneration to those KMP listed in the previous table are as follows:

Grant Date	Issuer	Entitlement on Exercise	Dates Exercisable	Exercise Price $	Value per Rights at Grant Date $	Amount Paid/ Payable by Recipient $
17/12/2019	CGA	1:1 ordinary shares in CGA	16 June 2021	0.00	0.460	0.00

The value of performance rights at grant date were determined using the Black-Scholes method.

The performance rights vested and were also exercised on 16 June 2021.

End of Audited Remuneration Report

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Director:

Roger Amos
Chairman

Dated this 16 day of August 2021

Auditor’s Independence Declaration

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Building a better working world

Auditor’s Independence Declaration to the Directors of Contango Asset Management Limited

As lead auditor for the audit of the financial report of Contango Asset Management Limited for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Contango Asset Management Limited and the entities it controlled during the financial year.

Ernst & Young

Luke Slater

Luke Slater
Partner
16 August 2021

Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2021

	Note	**2021 000's $**	2020 000's $
Revenue			
Investment management fees	2(a)	**4,776**	3,743
Performance fees	2(a)	**128**	165
Service fees	2(a)	**414**	500
Interest income		**-**	6
Effective interest income on NAML receivable		**210**	305
Government grant income		**183**	207
Other income		**9**	7
Total revenue		**5,720**	4,933
Expenses			
Employee benefits expense		**2,940**	2,892
Corporate and administrative expenses	3(a)	**1,868**	1,515
Direct Fund expenses		**1,122**	1,154
Professional services expense		**364**	437
Finance costs	3(b)	**114**	88
Depreciation and amortisation expense	3(c)	**112**	10
Total expenses		**6,520**	6,096
Net loss before income tax		**(800)**	(1,163)
Income tax credit	4	**-**	-
Net loss after income tax		**(800)**	(1,163)
Other comprehensive loss, net of income tax			
Other comprehensive loss		**-**	-
Total comprehensive loss attributable to members of the Company		**(800)**	(1,163)
Loss per share attributable to the ordinary equity holders of the Company:			
Basic loss per share	19	**(1.69)**	(2.46)
Diluted loss per share	19	**(1.69)**	(2.46)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

	Note	2021 000's $	2020 000's $
ASSETS			
Current Assets			
Cash and cash equivalents	5	5,525	3,941
Trade and other receivables	6	2,878	2,737
Other assets	7	220	188
Total current assets		8,623	6,866
Non-Current assets			
Trade and other receivables	6	-	1,576
Other financial assets	8	96	74
Property, plant and equipment		19	22
Right-of-use asset	9	312	-
Goodwill	10	4,806	4,806
Total non-current assets		5,233	6,478
Totals Assets		13,856	13,344
LIABILITIES			
Current Liabilities			
Trade and other payables	11	2,644	1,976
Provisions	12	143	267
Lease liabilities	13	98	-
Total current liabilities		2,885	2,243
Non-Current Liabilities			
Provisions	12	52	64
Lease liabilities	13	293	-
Borrowings	14	1,252	1,252
Total non-current liabilities		1,597	1,316
Total Liabilities		4,482	3,559
NET ASSETS		9,374	9,785
EQUITY			
Issued capital	15	150,193	149,839
Reserves	16	78	43
Accumulated losses	17	(140,897)	(140,097)
Total Equity		9,374	9,785

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2021

2020	Note	Issued Capital 000's $	Share-based Payment Reserve 000's $	Accumulated Losses 000's $	Total 000's $
Balance at 1 July 2019		149,839	-	(138,934)	10,905
Loss for the year		-	-	(1,163)	(1,163)
Total comprehensive loss for the year		-	-	(1,163)	9,742
Transactions with owners in their capacity as owners					
Issue of share capital, net of transaction costs		-	-	-	-
Share-based payments	16	-	43	-	43
Balance at 30 June 2020		149,839	43	(140,097)	9,785

2021	**Note**	**Issued Capital 000's $**	**Share-based Payment Reserve 000's $**	**Accumulated Losses 000's $**	**Total 000's $**
Balance at 1 July 2020		149,839	43	(140,097)	9,785
Loss for the year		-	-	(800)	(800)
Total comprehensive loss for the year		-	-	(800)	(800)
Transactions with owners in their capacity as owners		-	-	-	-
Issue of share capital, net of transaction costs	15	354	-	-	354
Share-based payments	16	-	35	-	35
Balance at 30 June 2021		150,193	78	(140,897)	9,374

The Statement of Changes in Equity is to be read in conjunction with the accompanying Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2021

	Note	2021 000's $	2020 000's $
Cash flows from operating activities:			
Receipts from customers		7,805	4,872
Receipts from governments and others		183	137
Payments to suppliers and employees		(8,204)	(6,810)
Underwriting fee paid		-	(1,212)
Interest received		9	13
Finance costs paid		(100)	(60)
Net cash outflow from operating activities	29(a)	(307)	(3,060)
Cash flows from investing activities:			
Purchase of property, plant and equipment		(5)	(17)
Proceeds from NAOS Asset Management Limited		1,826	1,826
Net cash inflow from investing activities		1,821	1,809
Cash flows from financing activities:			
Proceeds from borrowings	29(b)	-	750
Repayment of lease liabilities	29(b)	(33)	-
Proceeds from issue of share capital		103	-
Net cash inflow from financing activities		70	750
Net decrease in cash and cash equivalents held		1,584	(501)
Cash and cash equivalents at beginning of year		3,941	4,442
Cash and cash equivalents at end of financial year	5	5,525	3,941

The Consolidated Statement of Cash Flows is to the read in conjunction with the accompanying Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2020

Note 1 Statement of Significant Accounting Policies

General Information

The consolidated financial statements and notes represent those of Contango Asset Management Limited as a group consisting of Contango Asset Management Limited (**the Company**) and the entities it controlled at the end of, or during, the year (**the Group**). The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Contango Asset Management Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

The consolidated financial statements were authorised for issue, in accordance with a resolution of Directors, and signed on the same date as the Directors' Declaration.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on a going concern basis and under the historical cost convention except for the measurement at fair value of selected non current assets, financial assets and financial liabilities.

New Standards adopted as at 1 July 2020

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current year. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group are:

- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework

The accounting policies have been consistently applied, unless otherwise stated.

(a) Current vs non-current classification

The Group presents assets and liabilities in the Consolidated Statement of Financial Position based on a current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after the reporting period

Or

- Cash or cash equivalent except if it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent company, Contango Asset Management Limited, and all of its subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 23.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(c) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired, and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

Contingent consideration classified as an asset or liability is re-measured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(d) Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

i. the consideration transferred
ii. any non controlling interest (determined under either the full goodwill or proportionate interest method), and
iii. the acquisition date fair value of any previously held equity interest

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value measurements in any pre existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

(e) Tax consolidation

Contango Asset Management Limited and its wholly owned subsidiaries are consolidated for tax purposes.

The Company and its wholly owned Australian subsidiaries have formed a tax-consolidated group with effect from 1 July 2003. The head entity within the group is Contango Asset Management Limited.

The members of the tax-consolidated group are identified in Note 23. Tax expense/credit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the "separate taxpayer within group" approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group). Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the Company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

(f) Income tax

The income tax expense (credit) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only 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.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset 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 offset where: (i) a legally enforceable right of set off exists; and (ii) 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.

(g) Property, plant and equipment

All classes of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

The depreciable amounts of all fixed assets are calculated using the diminishing balance method over their estimated useful lives commencing from the time the asset is held ready for use.

Class of Fixed Asset	Depreciation Rate
Furniture & Fittings	20%
Office Computers and Machines	40%

(h) Financial instruments

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions to the instrument.

Financial instruments (except trade and other receivables) are initially recognised at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain any significant financing component or if the practical expedient was applied as specified in *AASB 15 Revenue from Contracts with Customers* para 63.

All financial assets and financial liabilities of the Group are subsequently measured at amortised cost.

i. Financial assets at amortised cost

All financial assets are subsequently classified and measured at amortised cost when both of the following criteria are met:

- the business model's objective is to hold the financial asset to collect contractual cash flows; and
- the contractual cash flows consist solely of payments of principal and interest.

Trade and other receivables with maturities of less than 12 months are initially recognised at their transaction price less lifetime expected losses and subsequently measured at amortised cost.

ii. Financial liabilities at amortised cost

A financial liability is subsequently measured at amortised cost or fair value through profit and loss. The Group has only financial liabilities at amortised cost using the effective interest rate method.

iii. Impairment of financial assets

Impairment of financial assets is recognised based on the lifetime expected credit loss which is determined when the credit risk on a financial asset has increased significantly since initial recognition. In order to determine whether there has been a significant increase in credit risk since initial recognition, the entity compares the risk of default as at the reporting date with risk of default as at initial recognition using reasonable and supportable data, unless the financial asset is determined to have a low credit risk at the reporting date.

For trade and other receivables, the simplified approach is used, which requires recognition of a loss allowance based on the lifetime expected credit losses. As a practical expedient, the Group uses a provision matrix based on historical information and adjusted for forward looking estimates in order to determine the lifetime expected credit losses.

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

iv. Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount 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 profit or loss.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks and short-term deposits with an original maturity of three months or less held at call with financial institutions.

(j) Impairment of assets

Goodwill and other assets that have an indefinite useful life are not amortised but are tested annually for impairment in accordance with *AASB 136 Impairment of Assets*. The depreciable amount of intangible assets with a finite life is amortised over its useful life. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

For the purposes of impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units).

(k) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised so as to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled, in exchange for those goods or services.

Revenue is recognised in accordance with the following five-step process:

1. Identifying the contract with the customer.
2. Identifying the performance obligations in the contract.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations in the contract.
5. Recognising revenue as and when the performance obligations are satisfied.

Investment management fees and service fees represent revenue from contracts with customers. Revenue arising from investment management contracts relates to performance obligations satisfied over time and as such revenue is recognised on a progressive basis. An output method is used to recognise revenue from such contracts which involves reference to the amounts invoiced to the customer for the services rendered during the period. This is because management believes that the amounts invoiced directly reflect the value of output transferred to the customer. In the case of amounts received in advance for services to be performed these are recognised as contract liabilities and are not reclassified to revenue until the performance obligation is satisfied.

Variable consideration may arise in some fund management contracts from performance fees. Performance fees may be earned where a fund's investment return after management fees exceeds the applicable benchmark. Performance fees are subject to a high-water mark, and a cap for each calculation period, with the exception of WCM International Small Cap Growth Fund (Managed Fund) which does not have a cap. An amount of the performance fees received are payable to the fund's investment manager. Variable consideration is estimated using either the expected value method or most likely amount method, as appropriate to the circumstances and recognised as revenue at the end of each reporting period until the contracts are settled.

Government grant income

Government grant income is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. The Group presents government grant income in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on a gross basis and as "Government income."

Interest income

Interest income is recognised using the effective interest method.

(l) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the acquisition of the asset or as part of an item of expense.

Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST.

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

(m) Employee benefits

i. Short-term employee benefit obligations

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

ii. Long-term employee benefit obligations

The Group's liabilities for long service leave are included in other long-term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employee renders the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, periods of service and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents long-term employee benefit obligations as non-current liabilities in the Consolidated Statement of Financial Position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, in which case the obligations are presented as current provisions.

(n) Trade and other payables

Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 7–60 days of recognition.

(o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

(p) Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Consolidated Statement of Financial Position date.

(q) Leases

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. All contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under *AASB 137 Provisions, Contingent Assets and Contingent Liabilities*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy (as outlined in Note 1(g)).

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Corporate and administrative expense" in the profit or loss.

(r) Share-based payments

The Group provides benefits to its employees in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions). The cost of these equity settled transactions with employees is measured by reference to the fair value of the equity instrument at the date on which they are granted. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is measured at the market bid price at grant date. The fair value of shares issued where the shares are treated as an option is determined using the Black-Scholes valuation model. In respect of share based payments that are dependent on the satisfaction of service conditions, the number of shares expected to vest is reviewed and adjusted at each reporting date.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date). The amount recognised for services received as consideration for these equity instruments granted is adjusted to reflect the best estimate of the number of equity instruments that eventually vest.

(s) Share 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.

(t) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group:

i. Impairment of goodwill

Goodwill acquired in a business combination is tested for impairment at least annually and when there is an indication that there may be impairment. For the purposes of impairment testing, goodwill arising from the acquisition of Switzer Asset Management Limited (**SAM**) has been allocated to the Group's sole cash generating unit, being its investment management business.

In assessing whether there may be an indication of impairment, the Directors have compared at 30 June 2021 the Group's carrying value of the cash generating unit with the recoverable amount, being the cash generating unit's fair value less costs to sell, using a percentage of funds under management (**FUM**) approach using a multiple of between 1.3% to 1.8%. (2020: 1.6% – 2.0%) The FUM multiple was derived from trading multiples of comparable companies and transaction multiples of recent comparable company acquisitions that have occurred in the market.

(u) Comparative figures

When necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(v) Rounding of amounts

The amounts in the consolidated financial statements and Directors' Report have been rounded to the nearest $1,000 (where rounding is applicable) where noted ($'000) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

(W) Reclassification in prior year Consolidated Statement of Cash Flows

The Company reclassified the cash flows associated with receipt of the NAOS receivable from operating to investing activities of $1,826,000 in the prior year, which decreased cash flows from operating activities and increased cash flows from investing activities by this amount. There was no net impact on the Consolidated Statement of Profit or Loss and Other Comprehensive Income or the Consolidated Statement of Cash Flows.

Note 2 Revenue

(a) Revenue from customer contracts

	2021 000's $	2020 000's $
Investment management fees	4,776	3,743
Performance fees	128	165
Service fees	414	500
Total revenue from customer contracts	5,318	4,408

Note 3 Expenses

(a) Corporate and administrative expenses

	2021 000's $	2020 000's $
Marketing and distribution expense	219	224
Audit fees	162	211
Directors' fees	208	215
Occupancy expense	40	154
Legal expenses	165	91
Listing and Registry expense	102	99
IT, office and communication expense	73	55
Share-based payment expense	285	43
Other expenses	614	423
Total corporate & administrative expenses	1,868	1,515

(b) Finance costs

	2021 000's $	2020 000's $
Interest expense	105	88
Interest expense on lease liability	9	-
Total finance costs	114	88

(c) Depreciation and amortisation

	2021 000's $	2020 000's $
Depreciation – plant and equipment	8	10
Amortisation – right-of-use asset	104	-
Total depreciation and amortisation	112	10

Note 4 Income Tax Expense

	2021 000's $	2020 000's $
(a) The major components of tax expense comprise:		
Current tax	-	-
	-	-

	2021 000's $	2020 000's $
(b) Numerical reconciliation of income tax expense to prima facie tax payable:		
Loss before income tax expense	(800)	(1,163)
Prima facie income tax (expense)/ benefit at the statutory rate of 26% (2020: 27.5%)	208	320
Effect of amounts which are non-deductible/assessable in calculating taxable income		
- Tax losses not recognised as deferred tax assets	(208)	(320)
Income (expense)/benefit reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	-	-

(c) Unrecognised deferred tax asset

The amount of deductable temporary differences and unused tax losses for which no deferred tax asset has been recognised:

	2021 000's $	2020 000's $
Potential tax benefit at 25% (2020: 26%)	3,001	3,165

Deferred tax assets have not been recognised to the extent that it is not probable that taxable profit will be available against which the losses can be utilised.

Note 5 Cash and Cash Equivalents

	2021 000's $	2020 000's $
Cash at bank	5,525	3,941

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Note 6 Trade and Other Receivables

	2021 000's $	2020 000's $
Current		
Trade receivables	1,320	1,140
Sundry debtors	-	45
NAML receivable[1]	1,552	1,552
Other receivable	6	-
Total current trade and other receivables	2,878	2,737
Non-Current		
NAML receivable[1]	-	1,450
Other receivable	-	126
Total non-current trade and other receivables	-	1,576
Total trade and other receivables	2,878	4,313

[1] The NAML receivable as at 30 June 2021 is the deferred consideration payable by NAOS Asset Management Limited (**NAML**) to Contango Funds Management Limited, a controlled entity of the Group, over a one-year period in accordance with the conditions of the arrangement. The NAML receivable has been measured at amortised cost using the effective interest method.

The ageing of trade receivables as at 30 June 2021 is less than 30 days (2020: less than 30 days). There are no trade receivables which are past due and impaired as at 30 June 2021 (2020: nil).

Note 7 Other Assets

	2021 000's $	2020 000's $
Current		
Prepayments	220	188
Total Other Assets	220	188

Note 8 Other Financial Assets

	2021 000's $	2020 000's $
Non-Current		
Other financial assets[1]	96	74
Total other financial assets	96	74

[1] Other financial assets are interest bearing deposits supporting bank guarantees for short term premises leases and are refunded upon termination of the lease contract.

Note 9 Right-of-use Asset

	2021 000's $	2020 000's $
Leased office space		
Right-of-use asset	416	-
Accumulated amortisation	(104)	-
Total right-of-use asset	312	-

(a) Movements in carrying amounts of right-of-use assets

	2021 000's $	2020 000's $
Opening balances at 1 July 2020	416	-
Additions	-	-
Accumulated amortisation	(104)	-
Net carrying amount	312	-

The Group leases an office space in Sydney, which has a lease term of 4 years and commenced on 1 July 2020.
The Group does not have any leases which contain variable lease payments.

(b) AASB 16 related amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

	2021 000's $	2020 000's $
Amortisation charge related to right-of-use asset	104	-
Interest expense on lease liabilities	9	-
Short-term lease expenses	4	-
	117	-

Note 10 Goodwill

	2021 000's $	2020 000's $
Goodwill		
Goodwill at cost	8,636	8,636
Accumulated impairment loss	(3,830)	(3,830)
Total goodwill	4,806	4,806

(a) Movements in carrying amounts of goodwill

	Goodwill 000's $
Opening value at 1 July 2019	4,806
Impairment loss	-
Closing value at 30 June 2020	4,806
Opening value at 1 July 2020	4,806
Impairment loss	-
Closing value at 30 June 2021	4,806

(b) Impairment

Goodwill acquired in a business combination is tested for impairment at least annually and when there is an indication that there may be impairment. The Group performed its annual impairment test in June 2021.

In assessing impairment, the Directors have compared the Group's carrying value of the cash generating unit at 30 June 2021 with the recoverable amount, being the cash generating unit's fair value less costs to sell, using a percentage of FUM approach using a multiple of between 1.3% to 1.8% (2020: 1.6% – 2.0%). There has been no change in the valuation technique since prior year. The FUM multiple was derived from trading multiples of comparable companies and transaction multiples of recent comparable company acquisitions that have occurred in the market.

Note 11 Trade and Other Payables

	2021 000's $	2020 000's $
Current		
Trade payables	112	286
GST payable	412	386
Accrued expenses	2,120	1,304
Total trade and other payables	2,644	1,976

Refer to Note 21 for further information on financial risk management.

Note 12 Provisions

	2021 000's $	2020 000's $
Current		
Annual leave	143	224
Long service leave	-	43
	143	267
Non-Current		
Long service leave	52	64
Total provisions	195	331

Movement in carrying amounts

	Employee Benefits 000's $
Opening balance at 1 July 2019	234
Additional provisions	281
Provisions used	(184)
Closing balance at 30 June 2020	331
Opening balance at 1 July 2020	331
Additional provisions	150
Provisions used	(286)
Closing balance at 30 June 2021	195

Note 13 Lease Liabilities

	2021 000's $	2020 000's $
Maturity Analysis		
Year 1	105	-
Year 2	147	-
Year 3	152	-
Total lease liabilities	404	-
Less: interest payable	(13)	-
	391	-
Analysed as:		
Current	98	-
Non-current	293	-
	391	-

The Group does not face a significant liquidity risk with regard to its lease liabilities.

Note 14 Borrowings

	2021 000's $	2020 000's $
Non-Current		
Other unsecured loans	1,252	1,252
Total borrowings	1,252	1,252

Summary of borrowing arrangements

Borrowings at 30 June 2021 consisted of the following arrangements:

- $502,000 unsecured loan repayable in seven years at a fixed interest rate of 8% per annum, with interest paid in arrears annually; and
- $750,000 unsecured loan repayable on 6 December 2022 at a fixed interest rate of 8% per annum, with interest paid in arrears annually.

Note 15 Issued Capital

	2021 000's $	2020 000's $
47,873,085 (2020: 47,278,818) ordinary shares	**150,193**	149,839

Movements in ordinary shares capital

	Number of shares	000's $
Opening balance – 1 July 2019	47,278,818	149,839
Issue of share capital, net of transactions costs	-	-
Closing balance – 30 June 2020	47,278,818	149,839
Opening balance 1 July 2020	47,278,818	149,839
Ordinary shares issued to employees	421,767	250
Pacific Point Partners Limited – options exercised	172,500	104
Closing balance – 30 June 2021	47,873,085	150,193

Note 16 Reserves

	2021 000's $	2020 000's $
Share-based payment reserve		
Opening balance	**43**	-
Transfer to issued capital	**(97)**	-
Performance rights forfeited	**(48)**	-
Recognition of share based expense relating to Managing Director & CEO	**44**	9
Recognition of share based expense relating to employees	**136**	34
Closing balance at the end of the reporting period	**78**	43

The share-based payment reserve is used to recognise the value of equity benefits provided to the Managing Director and Chief Executive Officer, and employees as part of their remuneration.

Note 17 Accumulated losses

	2021 000's $	2020 000's $
Opening balance	(140,097)	(138,934)
Net loss attributable to shareholders	(800)	(1,163)
Accumulated losses at the end of the reporting period	(140,897)	(140,097)

Note 18 Dividends

No dividend has been declared or paid in respect to the financial year ended 30 June 2021 (2020: $nil).

Note 19 Earnings Per Share

Basic earnings per share (**EPS**) is calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2021 Cents	2020 Cents
Basic loss per share		
Total loss per share attributable to the ordinary equity holders of the company	(1.69)	(2.46)
Dilutive loss per share		
Total loss per share attributable to the ordinary equity holders and potential ordinary equity holders of the company	(1.69)	(2.46)

The following section reflects the income and share data used in the basic and diluted EPS computations:

(a) Earnings used to calculate basic and diluted EPS

	2021 000's $	2020 000's $
Basic loss per share		
Loss attributable to the ordinary equity holders of the company used in calculating basic loss per share	(800)	(1,163)
Diluted loss per share		
Loss attributable to the ordinary equity holders of the company used in calculating diluted loss per share	(800)	(1,163)

The share options and performance rights disclosed in Note 20 are anti-dilutive because the Company is in a loss position and are therefore not included in the calculation of the diluted losses per share.

(b) Weighted average number of shares used as the denominator in calculation of earnings per share

	2021 No.	2020 No.
Weighted average number of ordinary shares used in calculating basic earnings per share	47,470,372	47,278,818
Weighted average number of ordinary shares adjusted for the effect of dilution	47,470,372	47,278,818

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

Note 20 Share-based Payments

(a) Share options to Pacific Point Partners Limited

In September 2016 the Company issued 345,000 options to Pacific Point Partners Limited in partial consideration of it providing a loan to assist the Company in the acquisition of the Contango funds management business. Each option entitles the holder to subscribe for one share. The options have an exercise price of $0.60 each, were granted on 26 September 2016 and are exercisable at any time after the one-year anniversary of the grant date until the fifth-year anniversary of the grant date. The fair value at grant date was estimated using a Black Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of the share options was estimated on the grant date using the following assumptions:

Exercise price ($)	0.60
Dividend yield (%)	0.00
Expected Volatility (%)	25.00
Risk free interest rate (%)	1.70
Fair value per option ($)	0.15

Movements during the year

	2021		2020	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Options outstanding as at 1 July	345,000	0.60	345,000	0.60
Exercised[1]	(172,500)	0.60	-	-
Options outstanding as at 30 June	172,500	0.60	345,000	0.60
Options exercisable as at 30 June	172,500		345,000	

[1] 172,500 options were exercised on 3 May 2021 at an exercise price of $0.60.

(b) Performance Rights

On 17 December 2019, the Company issued 350,000 performance rights to key executives within the business. The performance rights were independently valued using the Black-Scholes options pricing model. The expected life of the performance rights is 18 months with the sole vesting condition being that the employee is employed by the Group on the vesting date. The fair value of the performance rights at grant date is $161,000. The share-based payment expense recognised in the 30 June 2021 reporting period was $53,192 (2020: $43,408).

The fair value of the performance rights was estimated on the grant date using the following assumptions:

Exercise price ($)	0.00
Dividend yield (%)	0.00
Expected Volatility (%)	70.00
Risk free interest rate (%)	0.77
Fair value per option ($)	0.46

On 15 December 2020, the Company issued 150,000 performance rights to certain employees within the business. The performance rights were independently valued using the Black-Scholes options pricing model. The expected life of the performance rights is 18 months with the sole vesting condition being that the employee is employed by the Group on the vesting date. The fair value of the performance rights at grant date is $126,000. The share-based payment expense recognised in the 30 June 2021 reporting period in relation to these performance rights was $34,206.

The fair value of the performance rights was estimated on the grant date using the following assumptions:

Exercise price ($)	0.00
Dividend yield (%)	0.00
Expected Volatility (%)	70.00
Risk free interest rate (%)	0.10
Fair value per option ($)	0.84

Movements during the year

	2021		2020	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Performance rights outstanding as at 1 July	350,000	-	-	-
Granted during the year	150,000	-	350,000	-
Forfeited during the year[1]	(140,000)	-	-	-
Exercised during the year[2]	(210,000)	0.46	-	-
Performance rights outstanding as at 30 June	150,000	-	350,000	-

[1] 140,000 performance rights were forfeited by two employees as they did not meet the vesting condition.
[2] 210,000 shares vested and were converted to ordinary shares on 16 June 2021.

Note 21 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange risk and aging analysis for credit risk.

Risk management is the responsibility of the Board of Directors.

Market risk

Foreign currency risk

The Group was not subject to any material foreign exchange risk in the 2021 and 2020 financial years.

Interest rate risk

The Group's main interest rate risk arises from cash and cash equivalents, the majority of which is held in various at call deposits at variable rates and various short term deposits with interest rates fixed for the terms of the deposit. During 2020 and 2021, the Group's cash at bank at variable rates was denominated in Australian dollars. As at the reporting date, the Group had the following variable rate cash at bank:

	2021		2020	
	Weighted average interest rate %	**Balance 000's $**	Weighted average interest rate %	Balance 000's $
Cash at bank	0.02	5,525	0.23	3,941
Net exposure to cash flow interest rate risk	-	5,525	-	3,941

Sensitivity

The following table illustrates sensitivities to the Group's exposure to changes in interest rates. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit 000's $	Equity 000's $
Year ended 30 June 2021		
+/ 0.05% in interest rates	3	3
Year ended 30 June 2020		
+/ 0.05% in interest rates	2	2

Credit risk

The Group has conducted a credit risk assessment on the NAML receivable (disclosed in Note 6) and has determined that the credit risk is minimal given NAML has paid all previous instalments in line with the agreement terms and there have been no liquidity issues identified that affect the recoverability of this balance.

The Group was not subject to any material credit risk in the 2021 financial year.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash reserves, including the availability of funding through committed credit facilities. The Group manages liquidity risk by regularly monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the simple nature of the underlying businesses, the Group aims to simplify funding by minimising credit lines and investing surplus funds in very liquid deposits at call or short-term deposits.

Financial liability and financial asset maturity analysis

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period between the reporting date and the contractual maturity date. Cash flows realised from financial assets reflect management's expectations as to the timing of their realisation. Actual timing may differ from that disclosed. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year 000's $	1 to 5 years 000's $	Over 5 years 000's $	Total 000's $
Group - 2020				
Financial liabilities due for payment				
Trade and other payables (Note 11)	1,976	-	-	1,976
Borrowings (Note 14)	-	750	502	1,252
Total expected outflows	1,976	750	502	3,228
Financial assets - cash flows realisable				
Cash and cash equivalents	3,941	-	-	3,941
Trade and other receivables (Note 6)	2,737	1,576	-	4,313
Other financial assets (Note 8)	74	-	-	74
Total anticipated inflow on financial instruments	6,752	1,576	-	8,328
Net inflow / (outflow) on financial instruments	4,776	826	(502)	5,100
Group - 2021				
Financial liabilities due for payment				
Trade and other payables (Note 11)	2,644	-	-	2,644
Lease Liabilities (Note 13)	98	293	-	391
Borrowings (Note 14)	-	750	502	1,252
Total expected outflows	2,742	1,043	502	4,287
Financial assets - cash flows realisable				
Cash and cash equivalents	5,525	-	-	5,525
Trade and other receivables (Note 6)	2,878	-	-	2,878
Other financial assets (Note 8)	-	96	-	96
Total anticipated inflow on financial instruments	8,403	-	-	8,499
Net inflow / (outflow) on financial instruments	5,661	(947)	(502)	4,212

Fair value

Fair value estimation

The fair values of the Group's financial assets and financial liabilities are presented in the table below and can be compared with their carrying values as presented in the Consolidated Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted, and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

The net fair values of cash and cash equivalents and non interest bearing monetary financial assets and financial liabilities of the Group approximate their carrying amounts.

The carrying values less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

	2021		2020	
	Carrying Value 000's $	**Fair value 000's $**	Carrying Value 000's $	Fair value 000's $
Financial assets				
Cash and cash equivalents	5,525	5,525	3,941	3,941
Trade and other receivables	2,878	2,878	4,313	4,313
Other financial assets	96	96	74	74
Total financial assets	8,499	8,499	8,328	8,328
Financial liabilities				
Trade and other payables	2,644	2,644	1,976	1,976
Lease liabilities	391	391	-	-
Borrowings	1,252	1,332	1,252	1,396
Total financial liabilities	4,287	4,367	3,228	3,912

Capital risk management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that the Group can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. As the Group incurs net cash outflows from operations and has large accumulated losses, the primary method used by the Group to adjust its capital structure is the issue of new shares and borrowings. The Group has determined that where possible it will issue ordinary shares, rather than issue hybrid forms of securities, so as to avoid any restrictions on its use of capital or commitment to interest repayments. There are also regulatory capital requirements of the wholly owned subsidiary SAM which the Group considers in managing its overall capital requirements.

Note 22 Parent Entity

Set out below is the supplementary information about the parent entity.

	2021 000's $	202 000's $
Statement of Financial Position		
Current assets	**4,930**	5,043
Non current assets	**3,970**	3,097
Total Assets	**8,027**	8,140
Current liabilities	**1,614**	1,165
Non-current liabilities	**-**	-
Total Liabilities	**1,614**	1,165
Issued capital	**150,193**	149,839
Accumulated losses	**(143,780)**	(142,864)
Total Equity	**6,413**	6,975
Statement of Profit or Loss and Other Comprehensive Income		
Total loss for the year	**(1,308)**	(1,053)
Total other comprehensive loss	**-**	(96)
Total comprehensive loss	**(1,308)**	(1,149)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2021 (2020: nil).

Contractual commitments

The parent entity had no commitments as at 30 June 2021 (2020: nil).

Note 23 Interests in Subsidiaries and Controlled Entities

Composition of the Group

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Company. The proportion of ownership interests held equals the voting rights held by the Company. Each subsidiary's principal place of business is also its country of incorporation.

	Principal place of business / Country of Incorporation	Percentage Owned 2021 %	Percentage Owned 2020 %
Subsidiaries:			
CAM SPV Pty Limited	Australia	100	100
2735 CSM Holdings Pty Limited	Australia	100	100
Contango Funds Management Limited	Australia	100	100
Contango International Management Pty Limited	Australia	100	100
Contango Group Services Pty Limited	Australia	100	100
Switzer Asset Management Limited	Australia	100	100

Note 24 Related Parties

i. Entities exercising control over the Group:

The ultimate parent entity, which exercises control over the Group, is Contango Asset Management Limited which is incorporated in Australia.

ii. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 25 and the Remuneration Report in the Directors' Report.

iii. Subsidiaries and Controlled Entities

Interests in subsidiaries and controlled entities are set out in Note 23.

iv. Related party transactions

The Group has an existing marketing and distribution agreement with Switzer Financial Group Pty Limited and paid $150,000 (2020: $150,000) for this service during the period. There are no amounts payable outstanding at 30 June 2021. Martin Switzer (Managing Director of Contango Asset Management Limited) has a financial interest in Switzer Financial Group.

Note 25 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

	2021 **$**	2020 $
Short term employee benefits	665,017	599,862
Post-employment benefits	38,843	38,802
Other long-term benefits	10,462	5,440
Termination benefits	-	-
Share-based payments	67,350	8,600
	781,672	652,704

Note 26 Contingent Liabilities

The Group has no material contingencies at 30 June 2021 (2020: nil).

Note 27 Segment Information

The Group has a sole operating segment of funds management. Revenue, profit, net assets and other financial information reported to and monitored by the Chief Operating Decision Maker (**CODM**) for the single identified operating segment are the amounts reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows. The CODM has been identified as the Managing Director and Chief Executive Officer.

Note 28 Auditors' Remuneration

	2021 **000's** **$**	2020 000's $
Audit and review of financial statements		
Fees for auditing the statutory financial report of the group and auditing the statutory financial reports of any controlled entities	150	193
Total audit and review of financial statements	150	193
Other statutory assurance services (AFSL)	11	10
Non-Audit Services		
- Taxation compliance advice	31	26
Total non-audit services	31	26
Total services provided by Ernst & Young	192	229

Note 29 Cash Flow Information

(a) Reconciliation of result for the year to cash flows from operating activities

	2021 000's $	2020 000's $
Loss for the year after income tax	(800)	(1,163)
Non cash flows in profit:		
- depreciation and amortisation	112	10
- employee share option expense	35	43
- effective interest on NAML receivable	(210)	(305)
- accrued government grant income	-	(95)
- interest expense on lease liability	9	-
- share-based payments	252	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- increase in trade and other receivables	(183)	(536)
- increase in other assets	(54)	(35)
- increase/(decrease) in trade and other payables	668	(1,076)
- (decrease)/increase in provisions	(136)	97
Outflow from operations	(307)	(3,060)

(b) Reconciliation of liabilities arising from financing activities

	1 July 2020 000's $	Cash flows 000's $	Foreign exchange movement 000's $	Fair value changes 000's $	Other 000's $	30 June 2021 000's $
Borrowings	1,252	-	-	-	-	1,252
Lease liability[1]	415	(33)	-	-	9	391
Total liabilities from financing activities	1,667	(33)	-	-	9	1,643

[1] The lease liability relates to the head office lease that commenced 1 July 2020.

	1 July 2019 000's $	Cash flows 000's $	Foreign exchange movement 000's $	Fair value changes 000's $	Other 000's $	30 June 2020 000's $
Borrowings	502	750	-	-	-	1,252
Total liabilities from financing activities	502	750	-	-	-	1,252

Note 30 Events Occurring After the Reporting Date

On 2 July 2021, 172,500 options in the Company were exercised at a price of $0.60 per option. Following the exercise of these options, the Company has no options on issue.

On 14 July 2021, Contango Income Generator Limited, a listed investment company managed by the Group, held an Extraordinary General Meeting where its shareholders approved its change of name to WCM Global Long Short Limited, and a selective buy-back of shares of approximately $67 million. This reduced the Group's funds under management by approximately $67 million. In addition, the funds managed by the Company paid approximately $22 million in cash distributions (net of distribution reinvestment) to their respective investors in July 2021.

There are no other matters or circumstances that have arisen since the end of the financial year which significantly affect or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Note 31 Company Details

The registered office of the Company is:

Contango Asset Management Limited
Level 6
10 Spring Street
Sydney NSW 2000

Directors’ Declaration

The Directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001* and:
    a. comply with Accounting Standards, which, as stated in Note 1 to the consolidated financial statements under the heading Basis of Preparation, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
    b. give a true and fair view of the financial position and performance of the consolidated group;
2. the Managing Director and Chief Financial Officer have given the declarations required by *Section 295A* that:
    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
    b. the financial statements and notes for the financial year comply with the Accounting Standards; and
    c. the financial statements and notes for the financial year give a true and fair view; and
3. 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..

This declaration is made in accordance with a resolution of the Board of Directors.

Roger Amos
Chairman

Dated this 16 day of August 2021

Independent Auditor's Report

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Independent Auditor's Report to the Members of Contango Asset Management Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Contango Asset Management Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

a) Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2021 and of its consolidated financial performance for the year ended on that date; and

b) 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 Group 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 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 judgment, 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, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial report section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Building a better working world

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment testing	
On 13 September 2018 the Group acquired the remaining 53.75% equity interest in Switzer Asset Management Limited (SAML) which generated a significant goodwill asset. As at 30 June 2021, the carrying value of goodwill was $4.8m. As described in Note 10, the Group has performed an annual impairment test to assess the carrying value of goodwill as at 30 June 2021. This was a key audit matter due to the judgements applied in the impairment testing.	Our audit procedures included the following: ▸ Involved our valuation specialists to assess the key assumptions used in the impairment analysis, as well as test the mathematical accuracy of the impairment model. ▸ Evaluated the sensitivity analysis performed by the Group focusing on where a reasonably possible change in assumptions could cause the carrying amount to exceed its recoverable amount. ▸ Benchmarked the implied valuations to comparable company valuation multiples. ▸ Assessed the adequacy of the disclosures associated with the goodwill impairment assessment in the financial report.

Building a better working world

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2021 Annual Report, 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, with the exception of the Remuneration Report and our related assurance opinion.

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 control 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 judgment 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 Group'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 Group'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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year 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 Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Contango Asset Management Limited for the year ended 30 June 2021, 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.

Ernst & Young

Luke Slater
Partner
Melbourne
16 August 2021

Additional Information for Listed Public Companies

ASX Additional Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31 July 2021.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

	Ordinary Shares	
	Number held	% of total shares issued
NAOS Asset Management Limited	11,803,124	24.85
Switzer Financial Group Pty Limited	7,378,251	15.03
Pacific Point Partners Limited, Robert Rankin	4,613,282	9.76

Voting rights

Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

Distribution of equity security holders

Analysis of the number of shareholders by size of holding at 31 July 2021 is presented below

Holding	Number of Holders	Number of Ordinary Shares	Percentage of Shares on Issue %
1 – 1,000	96	21,474	0.05
1,001 – 5,000	123	341,974	0.71
5,001 – 10,000	70	554,252	1.15
10,001 – 100,000	249	9,144,975	19.03
100,001 and over	44	37,982,910	79.06
Total	582	48,045,585	100.00
Number of holders with less than a marketable parcel of ordinary shares	77	6,281	0.01

Twenty largest shareholders

The names of the 20 largest shareholders of the Company as at 31 July 2021 are listed below:

Holder Name	Number of Ordinary Shares	Percentage of Shares on Issue %
NATIONAL NOMINEES LIMITED	11,826,792	24.62
SWITZER FINANCIAL GROUP PTY LTD	6,166,668	12.84
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD	4,958,282	10.32
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,480,935	3.08
KEISER SHIPPING & TRANSPORT PTY LTD	1,397,728	2.91
GOLD TIGER INVESTMENTS PTY LTD	1,264,479	2.63
MR ROBERT DARIUS FRASER	1,250,000	2.60
WILLYAMA ASSET MANAGEMENT PTY LTD	620,000	1.29
TC CORPORATE P/L	600,000	1.25
MRS TRACY FRASER	579,444	1.21
MS MAUREEN ELIZABETH SWITZER + MR PETER WILLIAM SWITZER + MR MARTIN SWITZER	576,817	1.20
HARVEY BLACKNEY SUPERANNUATION PTY LTD	541,000	1.13
BODIAM CAPITAL PTY LTD	500,000	1.04
JARHAMCHE PTY LTD	500,000	1.04
MRS TRACY FRASER	499,443	1.04
SAGRADA FAMILIA HOLDINGS PTY LTD	483,333	1.01
KEISER INVESTMENTS PTY LTD	333,333	0.69
CALAMA HOLDINGS PTY LTD	332,531	0.69
MR RICHARD PHILLIP AMLAND + MRS KIRSTY LEA AMLAND	314,308	0.65
EUCLID PTY LIMITED	312,000	0.65
Total shares held by the twenty largest shareholders	**34,537,093**	**71.89**
Total ordinary shares on issue	**48,045,585**	**100.00**

Unissued equity securities

Options issued.

Securities exchange

The Company is listed on the Australian Securities Exchange (ASX code: CGA)

Contango.
Asset Management

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