

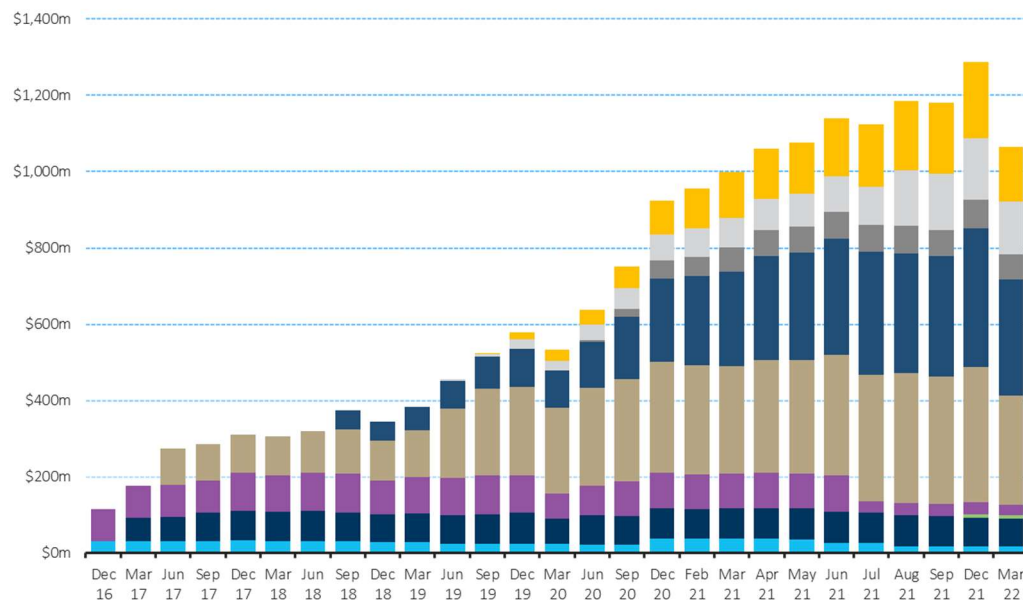
## Quarterly activity report – for the quarter ended 31 March 2022

### FUM Update

Contango Asset Management Limited (ASX:CGA) (**Contango** or the **Company**) is pleased to announce that its total Funds Under Management (**FUM**) was \$1.064 billion as at 31 March 2022. As at 28 April 2022, total FUM was \$1.000 billion<sup>1</sup>.

FUM has been challenged since 1 January 2022 as global markets attempt to navigate a flurry of concurrent economic hurdles, including Russia's invasion of Ukraine, soaring inflation globally, supply chain disruption and rising interest rates.

The WCM product suite retreated 17-22% during the quarter. Whilst the performance has been disappointing, it is consistent with the recent marked style rotation towards more value-oriented sectors. In previous periods of underperformance and recovery, for example, February to May 2020, WCM's playbook was the same as it is today i.e. remaining disciplined and choosing only the highest quality companies that have expanding competitive advantages supported by well-aligned cultures. The chart below illustrates the growth in FUM from 31 December 2016 to 31 March 2022:<sup>1</sup>

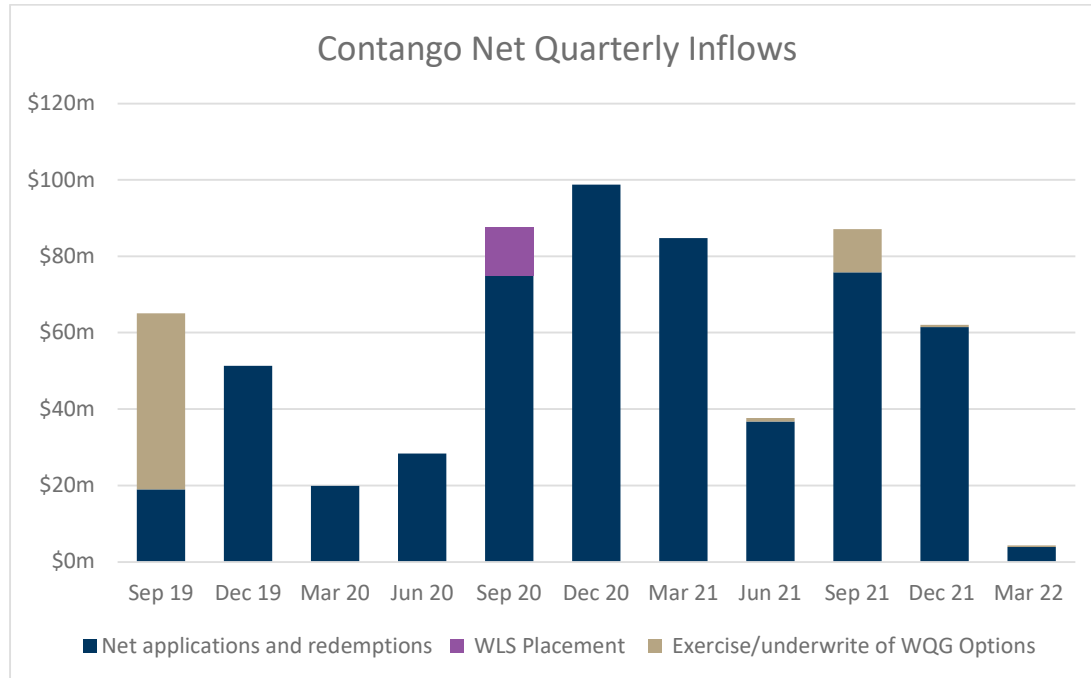


NB: Excludes Contango Microcap management rights reassigned in October 2017.  
Excludes FUM associated with the Vantage distribution initiative.



<sup>1</sup> All FUM and flow information is approximate, rounded, and has not been audited. FUM information is provided by CGA's appointed custodian NAB Asset Servicing.

Whilst the sharp pullback in global equities has made it a challenging market environment, it has been very pleasing to see inflows continue to be positive for the quarter, with net inflows of \$3.9 million between 1 January 2022 and 31 March 2022. The chart below illustrates the continued positive net inflows for the last 11 quarters.



*NB: Excludes WCM Global Long Short Limited selective buy-back in July 2021. Excludes payments and reinvestment of dividends and distributions. Source: Link Market Services and Link Funds Solutions.*

## WCM Strategies challenged by global markets in the short term

WCM is a global and international equities specialist with total FUM of over A\$120.7 billion<sup>2</sup>.

WCM's large cap strategy, the WCM Quality Global Growth Equity Strategy Composite, delivered a return of -18.88% for the quarter, relative to its benchmark which delivered -8.07%. The WCM International Small Cap Growth Strategy Composite delivered a return of -21.72% over the same period, compared with its benchmark of -9.40%, and the WCM Quality Global Growth Long Short Strategy Composite delivered -16.29% for the quarter compared with its benchmark of -8.27%. While short-term performance has been impacted by global market instability, the performance for all three strategies has remained above benchmark for all periods longer than three years, highlighting the positive, long-term performance of each strategy.

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 All Country World Index by 4.28% per annum over more than a decade.<sup>3</sup>

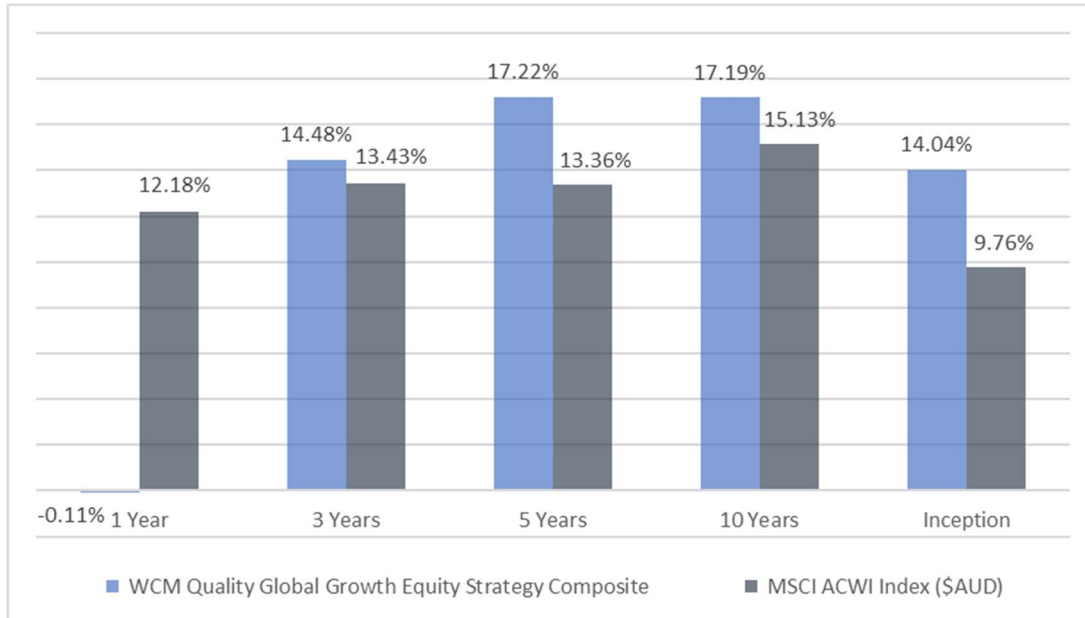
Contango has an exclusive retail distribution arrangement to distribute WCM's strategies in Australia.

<sup>2</sup> As at 31 March 2022 in AUD.

<sup>3</sup> Source: WCM. Data as at 31 March 2022 in AUD. Performance presented is net of fees and includes the reinvestment of all dividends and income. Returns for periods of more than one year are annualised. Past performance is not indicative of future results. Inception date of the WCM Quality Global Growth Equity Strategy Composite is 31 March 2008. The WCM Quality Global Growth Equity Strategy (ex-Australia) is accessible to Australian retail investors via a choice of three investment products: a listed investment company, an exchange-traded managed fund and an unlisted managed fund which offers both unhedged and hedged units.

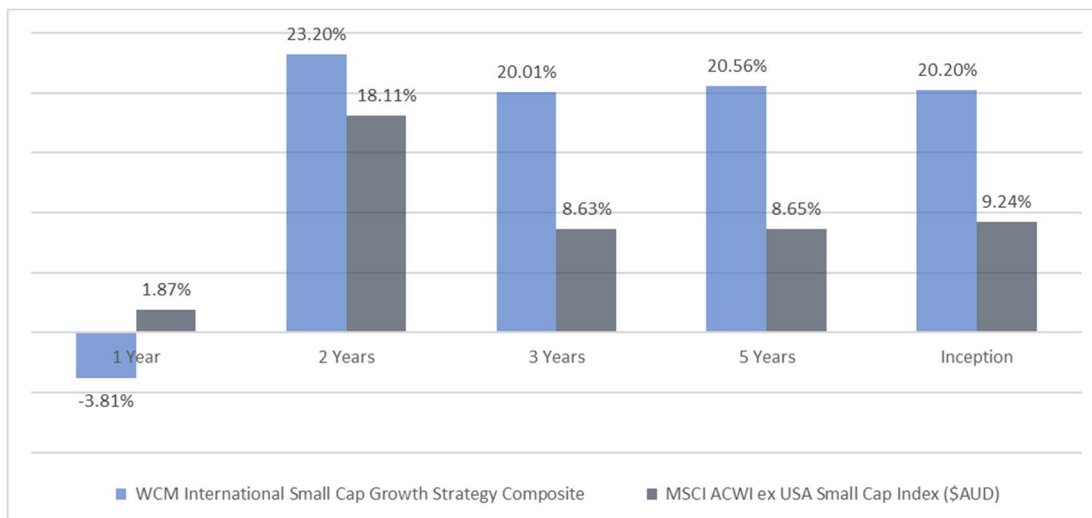
## Large Cap Track Record

Returns of the WCM Quality Global Growth Equity Strategy Composite versus its benchmark are shown below:<sup>3</sup>



## Small Cap Track Record

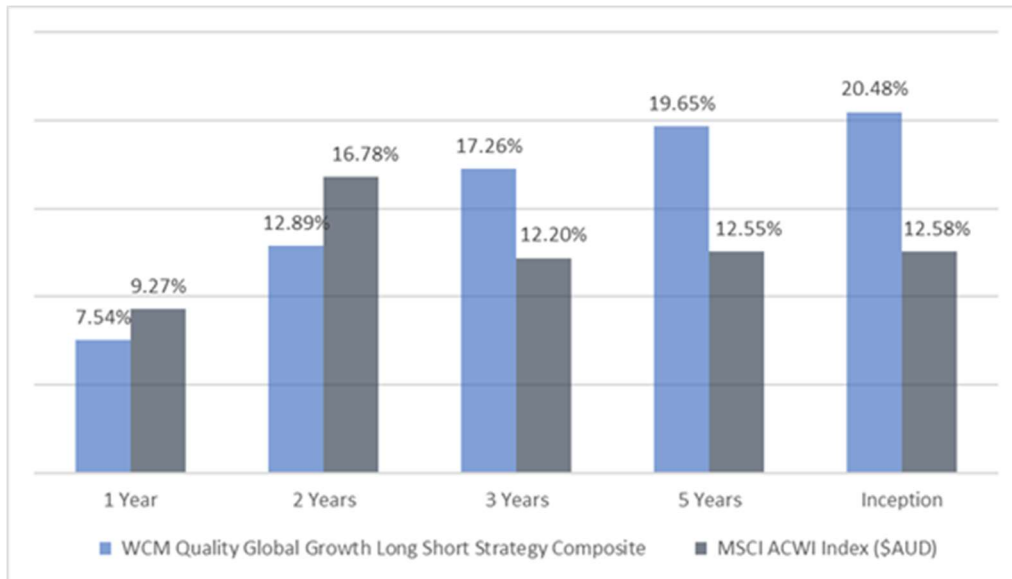
Returns of the WCM International Small Cap Growth Strategy Composite versus its benchmark are shown below:<sup>4</sup>



<sup>4</sup> Source: WCM. Data as at 31 March 2022 in AUD. Performance presented is net of fees and includes the reinvestment of all dividends and income. Returns for periods of more than one year are annualised. Past performance is not indicative of future results. Inception date of the WCM International Small Cap Growth Strategy Composite is 31 December 2014. The WCM International Small Cap Growth Strategy is accessible to Australian wholesale investors through the WCM International Small Cap Growth Fund (Managed Fund) which is an unlisted managed fund.

## Long Short Track Record

Returns of the WCM Quality Global Growth Long Short Equity Strategy versus its benchmark are shown below:<sup>5</sup>



## Partnership with Alternative Asset Class Manager – Woodbridge Capital

On 20 April 2022, the Company was pleased to advise that it had entered into a distribution arrangement with Woodbridge Capital Pty Ltd (**Woodbridge**), a new Australian domiciled private credit investment manager.

Woodbridge is led by Managing Director and Chief Investment Officer, Andrew Torrington, who is responsible for investment strategy, portfolio execution, investor relations and the overall running of the business. Andrew and his team have a 30-year track record in property finance and lending, real estate investment management, property development and construction. In his previous role over the last five years, Andrew has deployed and directly managed over A\$4 billion of loans in Australia and New Zealand.

The partnership involves distributing Woodbridge strategies to wholesale and institutional clients and launching a wholesale managed fund. The Woodbridge Private Credit Fund (the Fund) will provide investors with exposure to a portfolio of secured, first mortgage real estate loans across commercial real estate, build to rent and agriculture - with an ESG integrated investment process and philosophy.

The Fund was launched to the market on 26 April 2022 to capitalise on the significant investor interest in private credit strategies emerging in the market.

The new partnership with Woodbridge is one of several strategic initiatives that Contango has been pursuing since successfully making the transition from being a manufacturer of financial products to a distributor.

## Intention to Change Name

The Board also announced on 20 April 2022 that it intends to seek shareholder approval at its 2022 Annual General Meeting to change the Company's name to Associate Global Partners Limited (**AGP**). In addition, the Company changed the name of its Responsible Entity (**RE**), Switzer Asset Management Limited, to AGP effective from 20 April 2022.

<sup>5</sup> Source: WCM. Data as at 31 March 2022 in AUD. Performance presented is net of fees and includes the reinvestment of all dividends and income. Returns for periods of more than one year are annualised. Past performance is not indicative of future results. Inception date of the WCM Quality Global Long Short Equity Strategy Composite is 30 June 2014. The WCM Quality Global Long Short Equity Strategy is accessible to Australian investors through WCM Global Long Sort Limited (ASX:WLS) which is a listed investment company.

The Board believes that operating under a single identity that aligns both the Company and the RE will provide clarity for Contango's clients and investors, enable the business to focus on its core objective of promoting its investment managers and position the Company for future growth.

## WCM Global Long Short Limited (ASX:WLS)

Cognisant of the persistent share price discount of WCM Global Long Short Limited (**WLS**) to its net tangible assets (**NTA**), Contango has been working with the Board of WLS to implement a proposed restructure of WLS that would enable investors to access the WCM Quality Global Growth Long Short Equity Strategy at values much closer to the underlying NTA of its investment portfolio. The proposed restructure was announced to the ASX on 24 January 2022. Contango believes that this initiative will enhance WLS shareholder value and provide the opportunity to grow WLS in the longer term.

On 29 April 2022, the execution of the implementation deed for the proposed restructure was announced to the ASX. This announcement confirmed the intention to exchange WLS shares for units in WCM Global Long Short Fund (Managed Fund), subject to shareholder approval.

## Switzer Dividend Growth Fund (Quoted Managed Fund) (ASX:SWTZ)

Since April 2021, SWTZ has been managed by Blackmore Capital Pty Limited. Over the quarter to 31 March 2022, the Fund delivered a return of 1.30% compared with the benchmark, ASX 200 Accumulation Index, which delivered 2.24%.

On 24 January 2022, SWTZ announced that future distributions will be paid to investors monthly rather than quarterly. Contango believes that this change enhances the features of the fund and better suits the needs of its investors.

## Switzer Higher Yield Fund (Managed Fund) (CXA:SHYF)

The Switzer Higher Yield Fund (Managed Fund) has been managed by Coolabah Capital Institutional Investments since December 2020. Over the quarter to 31 March 2022, the fund returned -0.54%, compared with its benchmark which delivered 0.39%.

## Financial Update – Contango Group

Contango is pleased to report positive net operating cash flow of \$0.63 million for the quarter ended 31 March 2022.

Receipts from customers included the receipt of upfront revenue of \$0.19 million from a new distribution arrangement with Vantage Asset Management undertaken in the previous quarter, as well as regular ongoing management fee income from the Company's FUM base. In addition, approximately \$0.54 million included in Receipts from customers in the March 2022 quarter was paid out to the underlying investment manager in April 2022. The Group continues to manage closely its operating costs and cash flow, while building the team and resources for further product growth referred to elsewhere in this update.

The March 2022 quarter did see a number of significant outflows, including insurance premiums for the five months from November 2021 to March 2022 inclusive and 2021 incentive payments and remuneration adjustments, previously deferred. As a result, payments for administration and corporate costs were higher than in the December 2021 quarter.

Contango's final receivable relating to the assignment of an investment mandate to NAOS Asset Management Limited in 2017, amounting to \$1.7 million, remains payable to the Company and is due in June 2022.

The Group's cash balance was \$5.77 million as at 31 March 2022. The Group's cash and the above receivable totalled \$7.47 million, and it had debt of \$1.25 million as at 31 March 2022.

Contango's strong financial position provides it with the capacity to continue to execute its growth strategy successfully, reinvest in business resources and capability and achieve further FUM growth in the period ahead.

Yours faithfully,



Marty Switzer  
CEO and Managing Director  
Contango Asset Management Limited  
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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Contango Asset Management Limited and Controlled Entities

ABN

56 080 277 998

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,976	7,411
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(589)	(1,885)
(c) advertising and marketing	(27)	(20)
(d) leased assets	-	-
(e) staff costs	(792)	(2,508)
(f) administration and corporate costs	(936)	(2,693)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST paid on receipts from fund assignment agreement	-	(166)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>632</b>	<b>139</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	104
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>104</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,136	5,525
4.2	Net cash from / (used in) operating activities (item 1.9 above)	632	139
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-



## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	104
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,768</b>	<b>5,768</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,768	5,136
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,768</b>	<b>5,136</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 - paid to Directors in accordance with remuneration arrangements	308
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,252	1,252,
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	1,252	1,252
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	The Company has an unsecured loan facility of \$750,000 with an unrelated private family trust. The loan is for 3 years expiring on 6 December 2022, with an interest rate of 8% per annum and does not have loan covenant requirements. The Company has an additional unsecured loan facility of \$502,000 with an unrelated private family trust. The loan is for 10 years expiring on 28 August 2028 with an interest rate of 8% per annum and does not have loan covenant requirements.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	632
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,768
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,768
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2022



Authorised by: .....

Marty Switzer (CEO and Managing Director)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.