



NTA and Monthly Update – December 2018

Company at a Glance		Net Tangible Asset (NTA) Backing		
ASX Code	WGF		Nov 18	Dec 18
Fund Size	AU\$73.4m	NTA Before Tax	\$1.04	\$1.04
Fund Strategy	Global Market Neutral	NTA After Tax	\$1.04	\$1.04
Share Price	\$0.97			
Shares on Issue	73.2m			

Performance							
	1 Mth	3 Mths	6 Mths	Fin. YTD	1 Yr	2 Yrs (pa)	S.I.
Portfolio (net return)	-0.6%	-4.9%	-4.9%	-4.9%	-4.9%	-3.9%	-3.8%
RBA Cash Rate	0.1%	0.4%	0.8%	0.8%	1.5%	1.5%	1.6%
Outperformance	-0.7%	-5.3%	-5.7%	-5.7%	-6.4%	-5.4%	-5.4%

Month in Review

The Fund delivered a net return of -0.6% in December.

On the 19th of December 2018, the Board of WGF announced its intention to put to Shareholders, a scheme of arrangement whereby the Company would be restructured as an unlisted unit trust. Upon the successful completion of the scheme, WGF shareholders will be issued with units in a new unlisted trust. It is expected that the Responsible Entity of the new trust will appoint Watermark Funds Management as Investment Manager, operating under a new long/short investment mandate, focusing primarily on Australian shares. WGF shareholders will have the option of holding their units in the new trust, or redeeming their units pursuant to the terms of the scheme, at NAV.

In anticipation of this announcement, the Manager began a process in December of converting WGF's portfolio to cash. As at December 31, 2018, WGF had a gross exposure of 7.3%, comprised of active long and short positions in 13 securities. It is the Manager's intention to liquidate the remaining positions in the coming weeks.

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