



26 February 2021

ASX ANNOUNCEMENT

ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

GOOD START TO 2021: ALF RELEASES 2021 HALF YEAR FINANCIAL REPORT & ANNOUNCES DIVIDEND

Highlights

- The Company releases accounts for the half-year ended 31 December 2020.
- Board determines to pay 3.1 cents per share fully franked dividend if the Scheme is implemented
- Scheme meeting and AGM scheduled for 8 March 2021

Australian Leaders Fund Limited (ACN 106 845 970) (**ALF**) today announced its results for the half year ended 31 December 2020.

Investment operations over the half-year ended 31 December 2020 resulted in an operating profit before tax of \$11,617,103 (2019: profit of \$10,648,125) and an operating loss after tax of \$8,638,118 (2019: profit of \$7,819,033). The loss after tax includes the derecognition of the deferred tax asset (**DTA**), the amount written off was \$16,784,683.

The net tangible asset backing (**NTA**) after tax for each share as at 31 December 2020 amounted to \$1.08 per share (2019: \$1.15). The NTA before tax was \$1.10 per share (2019: \$1.17). The NTA at 31 December 2020 includes the DTA derecognition.

The Board is pleased to announce that it has determined to pay a fully franked dividend of 3.1 cents per share. Payment of this dividend is conditional on the proposed restructure via a scheme of arrangement (**Scheme**) becoming effective and legally binding.

The Board has made this important determination ahead of shareholders voting to approve the proposed restructure and Scheme at the general meetings on 8 March 2021. Notices convening these meetings, together with details of the Scheme, are contained in the Scheme Booklet dated 2 February 2021, which was dispatched to shareholders on 5 February 2021.

The aim of the Scheme is to (among other things):

- Remove the share price discount to NTA
- Improve liquidity
- Provide shareholders with the option to retain their exposure to Watermark Funds Management's Long/Short investment strategy

If the Scheme is approved and becomes effective: the dividend will be paid on 26 March 2021 (the implementation date for the Scheme); the record date will be 22 March 2021 (the record date for the Scheme); and the shares will trade ex-dividend on 19 March 2021.

If you have questions about this announcement please contact ALF's company secretary, Mark Licciardo on +61 3 8689 9997.

For general information about the Scheme please refer to the Scheme documentation available at wffunds.com.au or call the Shareholder Information Line on 1300 737 760 (in Australia) +61 2 9290 9600 (International), Monday to Friday between 9.00am and 5.00pm (Sydney time).

Authorised for release by the Board of Directors.