

13 July 2021

Strong outperformance drives increased fully franked final dividend and record profit

↑ **\$318.1m**

Record operating profit before tax¹

↑ **58.6%**

Record total shareholder return in FY2021

↑ **37.0%**

Record investment portfolio performance² in FY2021, outperforming the Index by 9.2%

↑ **7.7%**

Increased FY2021 fully franked full year dividend to 7.0 cents per share

1 for 5

Entitlement Offer for shareholders³

Fully franked final dividend of 3.5 cents per share

The WAM Leaders Board of Directors has declared a fully franked final dividend of 3.5 cents per share, representing a 7.7% increase on the FY2020 fully franked final dividend.

The final dividend brings the fully franked full year dividend to 7.0 cents per share.

Strong performance

The increased fully franked dividend has been achieved through the strong performance of the investment portfolio since inception and the profits reserve available and is consistent with the Company's investment objective of delivering investors a stream of fully franked dividends.

WAM Leaders Limited (ASX: WLE) achieved a record operating profit before tax of \$318.1 million (FY2020: operating loss before tax of \$1.2 million) and a record operating profit after tax of \$228.9 million (FY2020: \$5.3 million) in its FY2021 full year result¹.

The fully franked full year dividend of 7.0 cents per share provides shareholders with a fully franked dividend yield of 4.5% and a grossed-up yield⁴ of 6.4% on the 12 July 2021 closing share price of \$1.565 per share.

In FY2021, WAM Leaders celebrated its five year anniversary since listing on the ASX. During the year, the WAM Leaders investment portfolio increased a record 37.0%², outperforming the S&P/ASX 200 Accumulation Index by 9.2%. WAM Leaders' active investment approach, which focuses on large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst, and has led to strong investment portfolio outperformance in all periods throughout the Company's history. Since inception in May 2016, the WAM Leaders investment portfolio has increased 14.9%² per annum, outperforming the Index by 4.5% per annum.

The strong investment portfolio outperformance drove a growth in assets which, combined with the fully franked dividends paid during the period, resulted in a record 58.6% total shareholder return for shareholders during the twelve-month period to 30 June 2021.

The Company recorded a profits reserve of 35.3 cents per share as at 30 June 2021, representing 5.0 years of dividend coverage for shareholders. Since inception in May 2016, WAM Leaders has paid 23.65 cents per share in fully franked dividends to shareholders. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax on profits.

Key dividend dates

| | |
|--|--------------------------|
| Record date for Entitlement Offer | Monday 19 July 2021 |
| Ex dividend date | Monday 18 October 2021 |
| Dividend Record Date (Sydney time 7:00pm) | Tuesday 19 October 2021 |
| Last election date for DRP | Thursday 21 October 2021 |
| Fully franked final dividend payment date | Friday 29 October 2021 |

1 The FY2021 profit figures are unaudited. Audited full-year results will be announced to the market in August 2021.

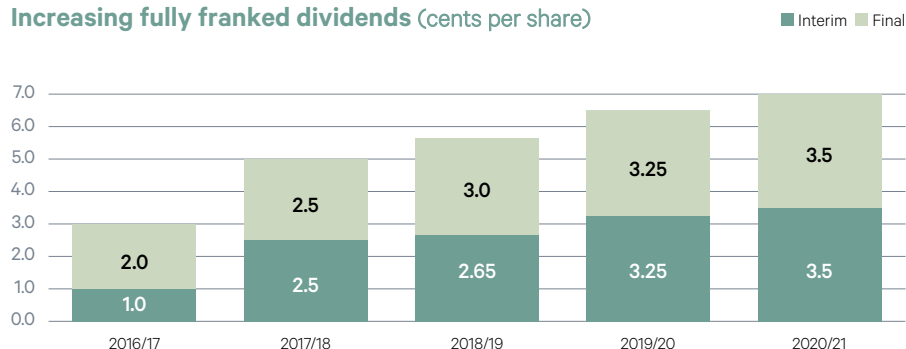
2 Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

3 All shareholders with registered addresses in Australia or New Zealand on the register as of the record date, Monday 19 July 2021 at 7:00pm (Sydney time).

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

Strong investment portfolio outperformance since inception

Increasing fully franked dividends (cents per share)



Performance at 30 June 2021

| | 6 mths | 1 yr | 3 yrs %pa | Since inception %pa (May-16) |
|---------------------------------------|--------------|--------------|--------------|------------------------------|
| WLE Investment Portfolio ¹ | 17.0% | 37.0% | 16.0% | 14.9% |
| S&P/ASX 200 Accumulation Index | 12.9% | 27.8% | 9.6% | 10.4% |
| Outperformance | +4.1% | +9.2% | +6.4% | +4.5% |

¹Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Top 25 holdings (in alphabetical order)

| Code | Name |
|------|---|
| ALL | Aristocrat Leisure Limited |
| ANZ | Australia & New Zealand Banking Group Limited |
| BHP | BHP Group Limited |
| CBA | Commonwealth Bank Of Australia |
| CGF | Challenger Limited |
| CPU | Computershare Limited |
| CSL | CSL Limited |
| GMG | Goodman Group |
| IAG | Insurance Australia Group Limited |
| NAB | National Australia Bank Limited |
| OSH | Oil Search Limited |
| OZL | OZ Minerals Limited |
| QAN | Qantas Airways Limited |
| QBE | QBE Insurance Group Limited |
| RHC | Ramsay Health Care Limited |
| RIO | Rio Tinto Limited |
| RMD | ResMed Inc. |
| S32 | South32 Limited |
| SGR | The Star Entertainment Group Limited |
| STO | Santos Limited |
| SUN | Suncorp Group Limited |
| TLS | Telstra Corporation Limited |
| TWE | Treasury Wine Estates Limited |
| WBC | Westpac Banking Corporation |
| WOW | Woolworths Group Limited |

Non-Renounceable Entitlement Offer



- ✓ **The pro-rata 1 for 5 non-renounceable Entitlement Offer of new fully paid shares will raise up to approximately \$241.2 million (approximately 167.5 million shares).**
- ✓ **Attractive issue price of \$1.44 per New Share.**
- ✓ **Guaranteed 1 New Share for every 5 WAM Leaders shares held.**
- ✓ **New Shares will receive the fully franked final dividend and rank equally with existing WAM Leaders shares.**
- ✓ **No brokerage costs.**

The WAM Leaders Board of Directors is pleased to offer shareholders the opportunity to increase their interest in the Company with the announcement of a pro-rata 1 for 5 non-renounceable Entitlement Offer (**Entitlement Offer**) at an issue price equal to the Company's pre-tax net tangible asset (NTA) backing of \$1.44 per share as at 30 June 2021. WAM Leaders' post-tax NTA as at 30 June 2021 was \$1.37 per share. From the 30 June 2021 pre-tax NTA, the Company expects to pay approximately 3.84 cents per share in corporate tax as part of the FY2021 income tax return. The franking credits attached to corporate tax payments are available for distribution to shareholders through fully franked dividends.

About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

All major platforms provide access to WAM Leaders, including AMP North, BT Panorama, Colonial First State FirstWrap, Netwealth, Macquarie Wrap and Hub24. WAM Leaders receives coverage from the following independent investment research providers:



This announcement has been authorised by the Board of WAM Leaders Limited.

For further information, visit
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About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 20 years. As the investment manager for eight LICs – WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) – Wilson Asset Management invests over \$4.7 billion on behalf of more than 110,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.

WAM Leaders
5 Years Listed

