

19 August 2021

Strong investment portfolio outperformance drives record profit and total shareholder return

\$343.3m

record operating
profit before tax

+37.5%

investment portfolio
performance* in FY2021,
outperforming the S&P/ASX
All Ordinaries Accumulation
Index by 7.3%

+28.9%

total shareholder return
in FY2021

7.1%

FY2021 fully franked
dividend yield on the
30 June 2021 closing
share price

Fully franked final dividend of 7.75 cents per share

The WAM Capital Board of Directors has declared a fully franked final dividend of 7.75 cents per share.

The final dividend brings the fully franked full year dividend to 15.5 cents per share.

Strong performance

The 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 Capital Limited (ASX: WAM) achieved a record operating profit before tax of \$343.3 million (FY2020: operating loss before tax of \$47.2 million) and a record operating profit after tax of \$266.6 million (FY2020: operating loss after tax of \$26.7 million) in its FY2021 full year result.

The fully franked full year dividend of 15.5 cents per share provides shareholders with a fully franked dividend yield of 7.0% and a grossed-up yield of 10.1%[†] on the 18 August 2021 closing share price of \$2.20 per share.

WAM Capital Chairman Geoff Wilson AO said: "Pleasingly, WAM Capital has again delivered sound investment portfolio performance and solid total shareholder returns during the year. Thank you to all shareholders for your support in what has been an extremely challenging period."

During the year, the WAM Capital investment portfolio increased 37.5%*, outperforming the S&P/ASX All Ordinaries Accumulation Index and the S&P/ASX Small Ordinaries Accumulation Index by 7.3% and 4.3% respectively. WAM Capital's proven investment process, which focuses on identifying undervalued growth companies with a catalyst, has led to strong investment portfolio outperformance throughout the Company's history. Since inception in August 1999, the WAM Capital investment portfolio has increased 16.6%* per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 7.9% per annum.

The strong investment portfolio outperformance drove a growth in assets which, combined with the fully franked dividends paid during the period and the slight increase in the share price premium to net tangible assets, resulted in a total shareholder return of 28.9% for shareholders during the 12-month period to 30 June 2021.

Lead Portfolio Manager Oscar Oberg said: "We were pleased to deliver strong, risk-adjusted returns for shareholders in FY2021. Our long-standing methodology of investing in companies that are undervalued relative to their peers, with a clear catalyst for a share price re-rating, remains the central tenet of our process."

The Company recorded a profits reserve of 218 cents per share as at 31 July 2021, before the payment of the fully franked final dividend of 7.75 cents per share. Since inception in August 1999, WAM Capital has paid 261.75 cents per share in fully franked dividends to shareholders. The Company's ability to generate franking credits is dependent upon the payment of tax on profits and the quantum of fully franked dividends received from investee companies.

Key dividend dates

Ex dividend date	18 October 2021
Dividend record date (Sydney time 7:00pm)	19 October 2021
Last election date for DRP	21 October 2021
Fully franked final dividend payment date	29 October 2021

*Investment portfolio performance is before expenses, fees, taxes and capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

[†]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

WAM Capital dividends since inception



Performance at 30 June 2021	1 yr	3 yrs % pa	5 yrs % pa	7 yrs % pa	10 yrs % pa	Since inception % pa (Aug-99)
WAM Capital Investment Portfolio*	37.5%	10.9%	11.9%	13.6%	14.0%	16.6%
S&P/ASX All Ordinaries Accumulation Index	30.2%	10.3%	11.5%	9.3%	9.4%	8.7%
Outperformance	+ 7.3%	+ 0.6%	+ 0.4%	+ 4.3%	+ 4.6%	+ 7.9%
S&P/ASX Small Ordinaries Accumulation Index	33.2%	8.6%	11.2%	10.1%	6.0%	6.1%
Outperformance	+ 4.3%	+ 2.3%	+ 0.7%	+ 3.5%	+ 8.0%	+ 10.5%

*Investment portfolio performance is before expenses, fees, taxes and capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

Top holdings with portfolio weightings as at 30 June 2021

Research-driven holdings

Code	Name	%
VEA	Viva Energy Group Limited	3.0%
CDA	Codan Limited	2.6%
SLK	SeaLink Travel Group Limited	2.2%
BGA	Bega Cheese Limited	2.1%
PDL	Pendal Group Limited	2.1%
UMG	United Malt Group Limited	2.1%
MGH	MAAS Group Holdings Limited	2.1%
SVW	Seven Group Holdings Limited	2.1%
LOV	Lovisa Holdings Limited	1.7%
EVT	EVENT Hospitality & Entertainment Limited	1.6%

Market-driven holdings

Code	Name	%
VUK	Virgin Money UK PLC	2.3%
PGH	Pact Group Holdings Limited	2.1%
NWS	News Corporation	1.6%
PXA	PEXA Group Limited	1.6%
ALL	Aristocrat Leisure Limited	1.4%
ABC	Adbri Limited	1.2%
DOW	Downer EDI Limited	1.2%
DTL	Data#3 Limited	1.2%
ALQ	ALS Limited	1.1%
SWM	Seven West Media Limited	1.1%

About WAM Capital

WAM Capital Limited (ASX: WAM) is a listed investment company (LIC) managed by Wilson Asset Management. Listed in August 1999, WAM Capital provides investors with exposure to an actively managed, diversified portfolio of undervalued growth companies listed on the ASX, with a focus on small-to-medium sized businesses. The Company's investment objectives are to deliver a stream of fully franked dividends, provide capital growth and preserve capital.

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



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

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WAM Capital
22 Years Listed



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 \$5 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.