W | A | M *Research*

The most compelling undervalued growth opportunities in the Australian market.

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24 August 2021

Record investment portfolio performance drives total shareholder return and a record profit

+45.2%

record investment portfolio performance* in FY2021, outperforming the S&P/ASX All Ordinaries Accumulation Index by 15.0%

+32.7%

total shareholder return in FY2021

$73.5m

record operating profit before tax

6.0%

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

Fully franked final dividend of 4.95 cents per share

The WAM Research Board of Directors has declared a fully franked final dividend of 4.95 cents per share, an increase on the FY2020 fully franked final dividend.

The final dividend brings the fully franked full year dividend to 9.9 cents per share.

Strong performance

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

WAM Research Limited (ASX: WAX) achieved a record operating profit before tax of $73.5 million (FY2020: operating loss before tax of $12.9 million) and a record operating profit after tax of $52.3 million (FY2020: operating loss before tax of $7.8 million) in its FY2021 full year result.

The fully franked full year dividend of 9.9 cents per share provides shareholders with a fully franked dividend yield of 5.9% and a grossed-up yield of 8.4%^ on the 23 August 2021 closing share price of $1.685 per share.

WAM Research Chairman Geoff Wilson AO said: "WAM Research reported a record operating profit during the 2021 financial year, reflective of the record investment portfolio performance. As a WAM Research shareholder, I thank Oscar and the team for their diligence, rigour and commitment."

WAM Research's investment portfolio increased 45.2%*, outperforming the S&P/ASX All Ordinaries Accumulation Index by 15.0%, with an average cash holding of 10.3% during the year to 30 June 2021. The Company's record investment portfolio performance provided shareholders with a total shareholder return of 32.7% in the 12 months to 30 June 2021.

WAM Research's investment process, which focuses on identifying undervalued growth companies with a catalyst, has led to strong investment portfolio outperformance. Since its change in investment strategy in 2010, the WAM Research investment portfolio has increased 16.4%* per annum, outperforming the Index by 6.8% per annum.

Lead Portfolio Manager Oscar Oberg said: "We were pleased to deliver a record investment portfolio performance in FY2021, and as we enter FY2022, we remain focused on our research-driven investment process, identifying companies that can generate strong top line organic growth irrespective of the outlook for the coronavirus pandemic."

As at 31 July 2021, the Company's profits reserve was 43.3 cents per share, representing 4.4 years of dividend coverage. Since inception in August 2003, WAM Research has paid 119.05 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.

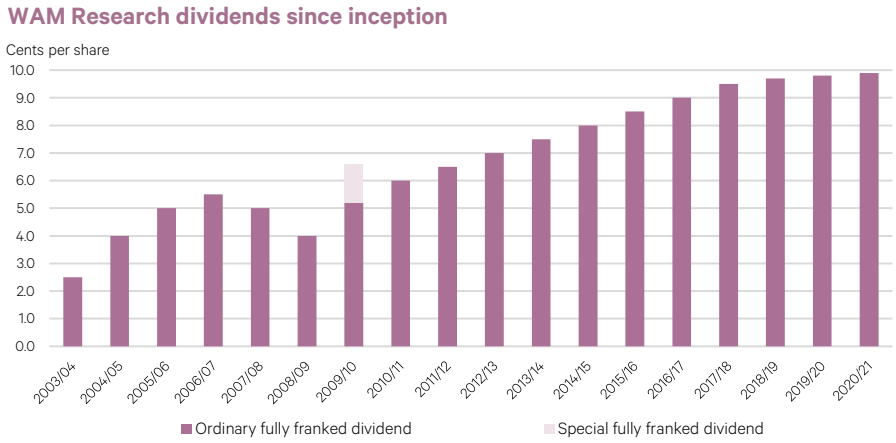
Key dividend dates

Ex dividend date	11 October 2021
Dividend record date (Sydney time 7:00pm)	12 October 2021
Last election date for DRP	14 October 2021
Fully franked final dividend payment date	22 October 2021

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

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Strong investment portfolio outperformance since change in investment strategy



Performance at 30 June 2021	1 yr	3 yrs % pa	5 yrs % pa	7 yrs % pa	10 yrs % pa	Since change in investment strategy % pa (Jul-10)
WAM Research Investment Portfolio*	45.2%	12.0%	12.3%	15.5%	16.3%	16.4%
S&P/ASX All Ordinaries Accumulation Index	30.2%	10.3%	11.5%	9.3%	9.4%	9.6%
Outperformance	**+15.0%**	**+1.7%**	**+0.8%**	**+6.2%**	**+6.9%**	**+6.8%**

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

Top 20 holdings with portfolio weightings
as at 30 June 2021

Code	Name	%	Code	Name	%
VEA	Viva Energy Group Limited	6.1%	IMD	Imdex Limited	3.1%
CDA	Codan Limited	5.1%	FBU	Fletcher Building Limited	3.0%
SLK	SeaLink Travel Group Limited	4.4%	JLG	Johns Lyng Group Limited	2.6%
PDL	Pendal Group Limited	4.3%	BWX	BWX Limited	2.6%
BGA	Bega Cheese Limited	4.3%	IEL	IDP Education Limited	2.6%
UMG	United Malt Group Limited	4.2%	ACL	Australian Clinical Labs Limited	2.5%
MGH	MAAS Group Holdings Limited	4.2%	LGL	Lynch Group Holdings Limited	2.5%
SVW	Seven Group Holdings Limited	4.2%	ALG	Ardent Leisure Group Limited	2.4%
LOV	Lovisa Holdings Limited	3.5%	SGF	SG Fleet Group Limited	2.3%
EVT	EVENT Hospitality & Entertainment Limited	3.1%	VRT	Virtus Health Limited	2.2%

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About WAM Research

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WAM Research Limited (ASX: WAX) has an investment management agreement with Wilson Asset Management. Listed in August 2003, WAM Research provides investors with exposure to a diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the ASX. WAM Research's investment objectives are to provide a stream of fully franked dividends and achieve a high real rate of return, comprising both income and capital growth, within acceptable risk parameters.

WAM Research
18 Years Listed

ASX

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

Zenith INVESTMENT PARTNERS · BELL POTTER · ORD MINNETT · MORNINGSTAR · INDEPENDENT INVESTMENT RESEARCH

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

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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 $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.