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WAM ACTIVE LIMITED

ABN 49 126 420 719

Appendix 4E
Preliminary Final Report

for the year ended 30 June 2021

Results for Announcement to the Market

All comparisons to the year ended 30 June 2020

	$	up/down	% mvmt
Revenue from ordinary activities	12,108,326	up	13,304.2%
Profit from ordinary activities before income tax expense	8,572,477	up	712.5%
Net profit from ordinary activities after income tax expense	6,270,606	up	917.1%

Dividend information	Cents per share	Franked amount per share	Tax rate for franking
2021 Final dividend cents per share	3.0c	3.0c	30%
2021 Interim dividend cents per share	3.0c	3.0c	30%

Final dividend dates

Ex dividend date	18 October 2021
Record date	19 October 2021
Last election date for the DRP	21 October 2021
Payment date	29 October 2021

Dividend Reinvestment Plan

The Dividend Reinvestment Plan ('DRP') is in operation and the recommended fully franked final dividend of 3.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the VWAP (volume weighted average market price) of shares sold on the ASX on the ex date for the relevant dividend and the three trading days following that date.

	30 Jun 21	30 Jun 20
Net tangible asset backing (after tax) per share	$1.04	$0.97

This report is based on the Annual Report which has been audited by Pitcher Partners. The audit report is included with the Company's Annual Report which accompanies this Appendix 4E. All the documents comprise the information required by Listing Rule 4.3A.

WAM Active

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2021 ANNUAL REPORT

Wilson Asset Management

OVER 20 YEARS Making a difference

ABN 49 126 420 719

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WAM Active Limited

WAM Active Limited (WAM Active or the Company) is a listed investment company and is a reporting entity. It is primarily an investor in equities listed on the Australian Securities Exchange.

Wilson Asset Management

Directors

Geoff Wilson AO (Chairman)
Kate Thorley
Karina Kwan
Emma Rugge-Price

Joint Company Secretaries

Jesse Hamilton
Linda Kiriczenko

Investment Manager

MAM Pty Limited
Level 26, Governor Phillip Tower
1 Farrer Place Sydney NSW 2000
(part of the Wilson Asset Management Group)

Country of Incorporation

Australia

Registered Office

Level 26, Governor Phillip Tower
1 Farrer Place Sydney NSW 2000

Contact Details

Postal Address: GPO Box 4658
Sydney NSW 2001

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E info@wilsonassetmanagement.com.au
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Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

T 1300 420 372 (in Australia)
+61 2 8023 5472 (International)
F (02) 9279 0664

For enquiries relating to shareholdings, dividends (including participation in the dividend reinvestment plan) and related matters, please contact the share registry.

Australian Securities Exchange

WAM Active Limited
Ordinary Shares (**WAA**)

WAM Active Limited
Options (**WAAOA**)
expiring 31 October 2022,
exercise price $1.10 per option

Auditor

Pitcher Partners



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FY2021 highlights

+31.8%
total shareholder return

+26.8%
record investment portfolio performance

$8.6m
record operating profit before tax in FY2021

6.0c
fully franked full year dividend

30 June 2021 snapshot

Listing date	January 2008
Gross assets	$76.8m
Market capitalisation	$80.1m
Share price	$1.095
Option price	$0.021
Shares on issue	73,173,266
Options on issue	67,407,220
Net tangible assets (pre-tax)	$1.02
Net tangible assets (post-tax)	$1.04
FY2021 fully franked dividends	6.0 cents
FY2021 fully franked dividend yield	5.5%
FY2021 fully franked grossed-up dividend yield	7.8%

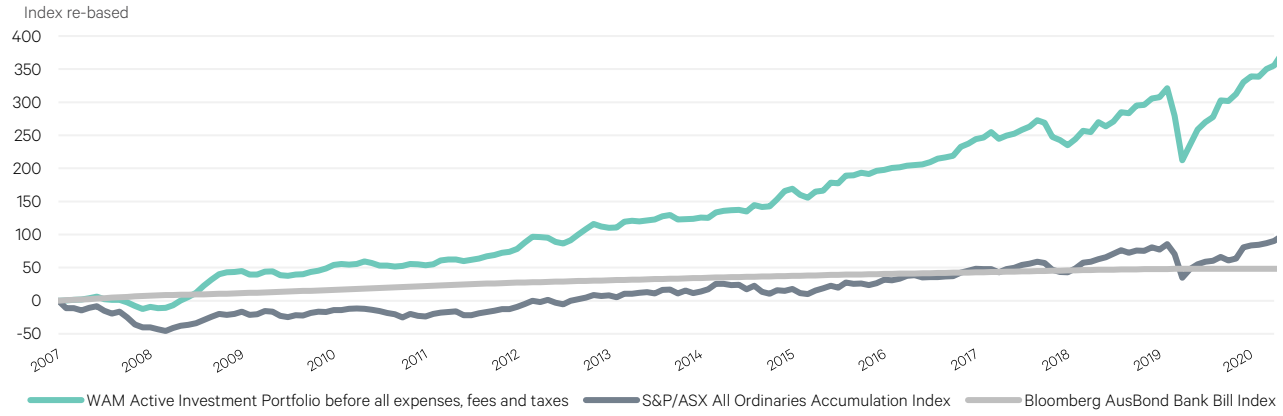
FY2021 results

WAM Active reported a record operating profit before tax of $8.6 million for the year (FY2020: operating loss before tax of $1.4 million), and a record operating profit after tax of $6.3 million (FY2020: operating loss after tax of $0.8 million). The profit for the period is reflective of the investment portfolio performance, which increased a record 26.8%, while being on average 91.5% invested in equities. The highly active investment process saw a turnover rate for the equity component of the investment portfolio of 3.6 times during the year, with 99 individual companies traded.

WAM Active remained focused on taking the least risk possible to protect shareholders' capital during what was a challenging year. The investment portfolio has returned 12.1% per annum since inception, which has been delivered with less volatility than the market, outperforming the S&P/ASX All Ordinaries Accumulation Index by 6.6% per annum and the Bloomberg AusBond Bank Bill Index (Cash) by 9.1%.

The Board declared a fully franked final dividend of 3.0 cents per share, bringing the fully franked full year dividend to 6.0 cents per share. Since inception, WAM Active has paid 77.7 cents per share in fully franked dividends to shareholders.

WAM Active's investment portfolio has returned 12.1% p.a. since inception, outperforming the market by 6.6% p.a.



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Letter from the Chairman

Geoff Wilson AO



Dear Fellow Shareholders,

WAM Active has delivered a record investment portfolio performance and a record operating profit during what has been a challenging year for Australian equities. I would like to thank all the shareholders who have entrusted us with their capital.

WAM Active reported a record operating profit before tax of $8.6 million (FY2020: operating loss before tax of $1.4 million) and a record operating profit after tax of $6.3 million (FY2020: operating loss after tax of $0.8 million), reflective of the investment portfolio's record 26.8% increase in the 12 months to 30 June 2021. The S&P/ASX All Ordinaries Accumulation Index rose 30.2%. On average, WAM Active was invested 91.5% in equities during the 12-month period.

The Board of Directors has declared a fully franked final dividend of 3.0 cents per share, bringing the fully franked full year dividend to 6.0 cents per share. Since inception, WAM Active has paid 77.7 cents per share in fully franked dividends to shareholders.

Since listing in 2008, we have provided shareholders with exposure to active trading strategies aimed at delivering positive returns in all market cycles, with the least risk possible, over the long-term. WAM Active has achieved an investment portfolio return of 12.1% per annum since inception, with less volatility than the market as measured by its standard deviation. Over the 12 months, the investment team adjusted WAM Active's cash levels continuously, averaging 8.5% throughout the period, and participated in 41 capital raisings and 38 initial public offerings open only to institutional investors with an average performance from listing price of 9.9% and 6.0% respectively.

As a fellow WAM Active shareholder, I would like to thank Lead Portfolio Manager Oscar Oberg, Portfolio Manager Tobias Yao, Senior Equity Analyst Shaun Weick, Equity Analyst Sam Koch, Senior Equities Dealer Cooper Rogers, Equities Dealer Will Thompson, and the broader Wilson Asset Management investment team, for their diligence, rigour and commitment. The team has again delivered strong, risk-adjusted returns for shareholders.

+31.8%

FY2021 total shareholder return

6.0 cents per share

FY2021 fully franked full year dividend

3.0 cents per share

FY2021 fully franked final dividend

5.5% fully franked dividend yield

on the 30 June 2021 share price

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Company performance

Over four decades of investing, I have found three key measures crucial to the evaluation of a listed investment company's (LIC) performance: investment portfolio performance, net tangible asset growth and total shareholder return.

1) Investment portfolio performance

Investment portfolio performance measures the growth of the underlying portfolio of equities and cash before expenses, fees and taxes. A key objective of WAM Active is long-term absolute investment portfolio performance in all market cycles with low volatility.

FY2021 investment portfolio performance

+26.8%

Performance at 30 June 2021	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception % pa (Jan-08)
WAM Active Investment Portfolio	26.8%	9.4%	11.1%	11.8%	12.1%
Bloomberg AusBond Bank Bill Index (cash)	0.1%	1.0%	1.3%	2.2%	3.0%
Outperformance	**+26.7%**	**+8.4%**	**+9.8%**	**+9.6%**	**+9.1%**
S&P/ASX All Ordinaries Accumulation Index	30.2%	10.3%	11.5%	9.4%	5.5%
Outperformance	**-3.4%**	**-0.9%**	**-0.4%**	**+2.4%**	**+6.6%**

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

Set out below is the performance of WAM Active since listing, on a financial year basis. The performance data excludes all expenses, fees and taxes, and is used as a guide to show how the Company's investment portfolio has performed against the S&P/ASX All Ordinaries Accumulation Index over the same period.

Financial year	WAM Active Investment Portfolio	S&P/ASX All Ordinaries Accumulation Index	Outperformance
2007/2008	2.2%	-15.2%	+17.4%
2008/2009	9.6%	-22.1%	+31.7%
2009/2010	22.7%	13.8%	+8.9%
2010/2011	11.5%	12.2%	-0.7%
2011/2012	5.5%	-7.0%	+12.5%
2012/2013	15.4%	20.7%	-5.3%
2013/2014	19.4%	17.6%	+1.8%

Financial year	WAM Active Investment Portfolio	S&P/ASX All Ordinaries Accumulation Index	Outperformance
2014/2015	5.5%	5.7%	-0.2%
2015/2016	18.0%	2.0%	+16.0%
2016/2017	11.6%	13.1%	-1.5%
2017/2018	15.7%	13.7%	+2.0%
2018/2019	3.6%	11.0%	-7.4%
2019/2020	-0.3%	-7.2%	+6.9%
2020/2021	26.8%	30.2%	-3.4%

2) Net tangible asset (NTA) growth

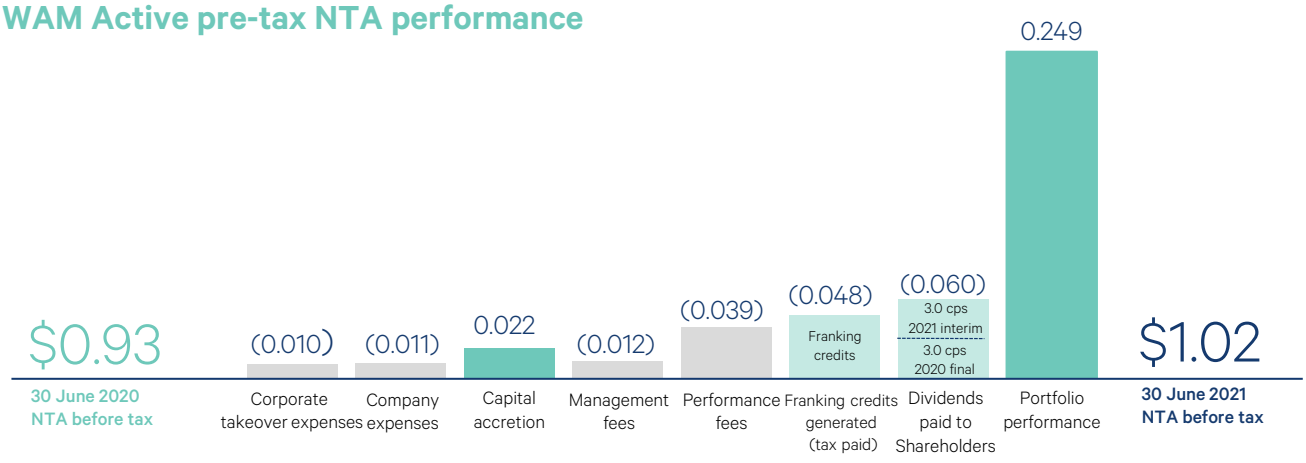
NTA growth is the change in value of the Company's assets, less liabilities and costs (including tax, management and performance fees). The NTA represents the realisable value of the Company and is provided to shareholders and announced to the ASX each month.

FY2021 NTA growth

+16.6%

WAM Active's pre-tax NTA increased 16.6% in the 12 months to 30 June 2021, including the 6.0 cents per share of fully franked dividends paid to shareholders during the year. This increase is after the 4.8 cents per share of corporate tax paid during the year. The 5.2% in corporate tax payments made throughout the period, together with the performance fee accrued of 4.2%, were the major items of difference between the investment portfolio performance of 26.8% and the adjusted NTA performance of 16.6%. The franking credits attached to corporate tax payments are available for distribution to shareholders through fully franked dividends. Other items contributing to the change in the value of the assets during the year were management fees of 1.0%, other company related expenses of 1.2% and legal and professional fees associated with corporate takeover activities of 1.0%, being offset by capital management accretion of 2.4%.

WAM Active pre-tax NTA performance



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3) Total shareholder return (TSR)

FY2021 TSR

+31.8%

TSR measures the tangible value shareholders gain from share price growth and dividends paid over the period, before the value of any franking credits distributed to shareholders through fully franked dividends.

This measure shows the tangible return to shareholders, being the change in the share price together with dividends paid, assuming their reinvestment. The investment portfolio performance and the share price moving from a discount to NTA to a premium to NTA resulted in a 31.8% total shareholder return for shareholders during the 12-month period to 30 June 2021. As at 30 June 2021, the share price premium to NTA was 7.5% (30 June 2021: discount of 2.9%).

Growth of a $10,000 investment since inception



Notes:

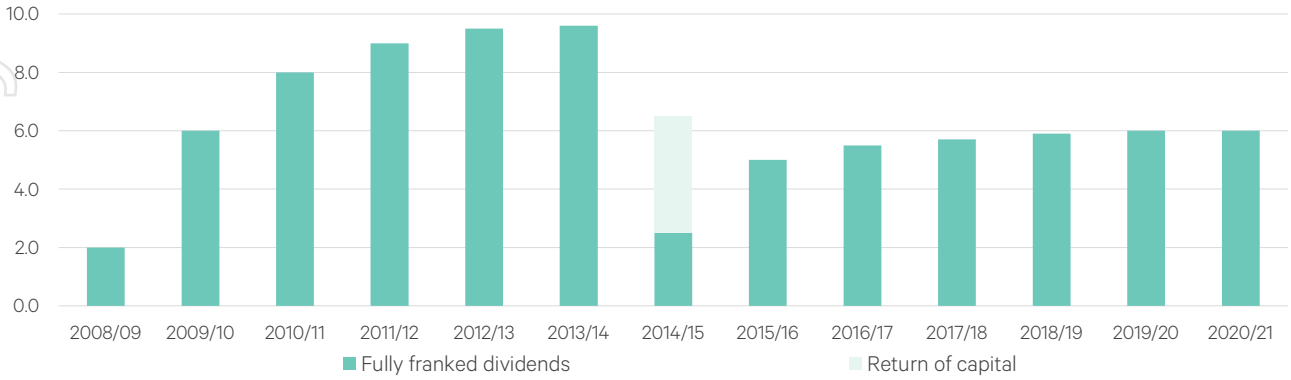
1. The above graph reflects the period from inception in January 2008 to 30 June 2021.
2. WAM Active's performance is calculated using the closing daily share price in Australian dollars and assumes all dividends are reinvested.
3. The S&P/ASX All Ordinaries Accumulation Index and the Bloomberg AusBond Bank Bill Index have been chosen for comparison purposes only. The graph is not intended to be an indication of future performance of any asset class, index or the WAM Active portfolio.

Dividends

The Board declared a fully franked final dividend of 3.0 cents per share, bringing the fully franked full year dividend to 6.0 cents per share. Since inception in 2008, WAM Active has paid 77.7 cents per share in fully franked dividends to shareholders.

The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits, and it is within prudent business practices. As at 31 July 2021, the Company had 8.2 cents per share available in its profits reserve, before the payment of the fully franked final dividend of 3.0 cents per share. 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 and the quantum of fully franked dividends received from investee companies. The dividend reinvestment plan is available to shareholders for the final dividend.

WAM Active dividends and return of capital since inception



Capital management

The Board is committed to effectively and efficiently growing the Company to the benefit of all shareholders. When the Company's size increases, on market liquidity for the shares is expected to increase, as well as the Company's relevance in the market, improving the prospect of broker and research coverage and interest from financial planners. The increased size of the Company is also expected to reduce the fixed expense ratio to the benefit of all shareholders.

Share Purchase Plan, Placement and Bonus Issue of Options

On 24 February 2021, the Board of Directors announced its intention to grow WAM Active to the benefit of all shareholders through a Share Purchase Plan (SPP), Placement and a one-for-one Bonus Option Issue. The SPP offered existing shareholders the opportunity to acquire up to $30,000 of ordinary, fully paid shares in WAM Active without incurring any brokerage fees. The SPP was offered to existing shareholders at the fixed price of $1.08 per share and raised $12.6 million.

In March 2021, WAM Active professional and sophisticated investors participated in a Placement at the same price and under the same terms as the SPP. The oversubscribed Placement raised $12.6 million utilising WAM Active's 15% Placement capacity under the ASX Listing Rules and the additional 10% Placement capacity approved by shareholders at the previous AGM.

The SPP and Placement raised a total of more than $25.2 million to the benefit of all shareholders, and was invested in accordance with our proven investment process.

Bonus Issue of Options

Shareholders who participated in the SPP and Placement were entitled to the Bonus Issue of Options on any new Shares issued under the Offer, which continued to be held at 7:00pm (Sydney Time), Thursday 25 March 2021, being the record date for the Bonus Option Issue. Each WAM Active Option provides holders with the opportunity, but not the obligation, to purchase one additional WAM Active share for $1.10 per Option, without incurring any brokerage fees.

The Options can be exercised at any time, up until they expire on Monday 31 October 2022. Shareholders who exercise their options before 14 October 2021 will be eligible to receive the fully franked final dividend of 3.0 cents per share. As at 30 June 2021, a total of 2,659,189 options has been exercised for a total consideration of $2,925,107, with the remaining balance of outstanding options being 67,407,220.

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Transfer of assets to WAM Strategic Value Limited

On 28 June 2021, WAM Strategic Value Limited (ASX: WAR) commenced trading on the ASX. WAM Strategic Value purchased a portfolio of LICs and LITs held by the Wilson Asset Management Group, including WAM Active, under a deed dated 7 May 2021. The deed and the terms of the purchases were outlined in Section 10.3 of WAM Strategic Value's Prospectus.

Keybridge Capital update

WAM Active's unconditional off-market takeover bid to acquire all of the fully paid ordinary shares in LIC Keybridge Capital Limited (ASX: KBC) closed on 15 September 2020. On 24 December 2020, the Supreme Court of NSW found in favour of WAM Active and ordered that KBC pay WAM Active and ASIC's costs, in relation to the proceedings commenced by KBC on 1 June 2020. These proceedings related to 16,057,929 ordinary shares in KBC that were accepted into WAM Active's bid dated 3 January 2020, and whose acceptances were processed by WAM Active (i.e. paid for by and transferred to WAM Active). WAM Active was successful in both opposing the relief sought by KBC and obtaining the orders and declarations it had sought (by interlocutory process) in these proceedings. KBC has appealed the Supreme Court's decision in favour of WAM Active and the Company is currently waiting for the decision in relation to the appeal proceedings.

We encourage you to visit our website, subscribe to receive our updates and to call or email us with any questions or suggestions you have regarding WAM Active or Wilson Asset Management. Please contact myself or our Head of Corporate Affairs, James McNamara, on (02) 9247 6755 or email us at info@wilsonassetmanagement.com.au. We hope to meet with you again as soon as it is safe to do so.

Thank you for your continued support and keep safe.



Geoff Wilson AO
Chairman

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Lead Portfolio Manager update

Oscar Oberg

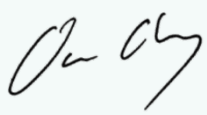
Dear Fellow Shareholders,

Equity markets continued their upward trajectory during the 2021 financial year alongside a rebound in economic growth and supportive conditions underpinned by heightened corporate activity.

Investors oscillated between lockdown beneficiaries and the reopening trade during the financial year, and Australian small-and-mid cap companies experienced the rare challenges and historic opportunities of a setting characterised by crisis and recovery. The macroeconomic environment, especially the Reserve Bank of Australia's monetary policy, was in sharp focus for markets and we expect this to continue. We adjusted the portfolio to take advantage of these conditions, rotating towards cyclical names benefitting from strong levels of consumer sentiment including in tourism, traditional media, financials, and construction. We also increased our holdings in companies with significant offshore exposure to countries most impacted by the pandemic, to capitalise on high inoculation rates and a reopening of economies.

We were pleased to deliver record investment portfolio performance during the year of 26.8% with an average cash holding of 8.5%. We were highly active during the year, with the investment portfolio turning over 3.6 times. We participated in 41 capital raisings and 38 initial public offerings open only to institutional investors with an average performance from listing price of 9.9% and 6.0% respectively. We are positive on medium-term economic growth and earnings, despite the headwinds of new variants, supported by encouraging signals such as a sharp rise in Australian vaccination rates. As we enter FY2022, we look forward to the market mispricing opportunities arising from increased corporate activity, particularly as we focus on growing WAM Active to the benefit of all shareholders.

Thank you for your continued support.



Oscar Oberg CFA
Lead Portfolio Manager

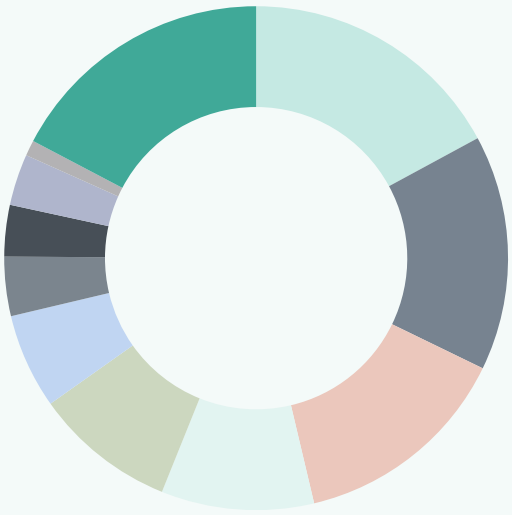
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WAM Active top 20 holdings

as at 30 June 2021

Code	Company	Portfolio
KBC	Keybridge Capital Limited	5.5%
VUK	Virgin Money UK PLC	4.7%
PGH	Pact Group Holdings Limited	4.2%
NWS	News Corporation	3.3%
PXA	Pexa Group Limited	3.2%
ABC	Adbri Limited	2.5%
DOW	Downer EDI Limited	2.5%
DTL	Data#3 Limited	2.5%
ALQ	ALS Limited	2.3%
SWM	Seven West Media Limited	2.3%
CAJ	Capitol Health Limited	2.2%
GMA	Genworth Mortgage Insurance Australia Limited	2.1%
CAR	carsales.com Limited	2.1%
CTD	Corporate Travel Management Limited	2.1%
BRG	Breville Group Limited	2.0%
SGR	The Star Entertainment Group Limited	2.0%
RWC	Reliance Worldwide Corporation Limited	2.0%
PMV	Premier Investments Limited	2.0%
CIM	CIMIC Group Limited	1.9%
BKW	Brickworks Limited	1.8%

Portfolio by sector



- Financials: 17.1%
- Consumer discretionary: 15.1%
- Materials: 14.1%
- Communication services: 9.8%
- Industrials: 9.1%
- Information technology: 6.1%
- Real estate: 3.8%
- Energy: 3.3%
- Health care: 3.3%
- Consumer staples: 1.0%
- Cash: 17.3%

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Investment Manager update



Wilson Asset Management Chief Executive Officer
And WAM Active Director Kate Thorley

Dear Fellow Shareholders,

As the Chief Executive Officer of Wilson Asset Management, I want to thank our fellow shareholders for their support and loyalty throughout the financial year. WAM Active (ASX: WAA) is your company and I am pleased to share some exciting updates and insights from the year with you.

I extend my sincere thanks to Lead Portfolio Manager Oscar Oberg, Portfolio Manager Tobias Yao, Senior Equity Analyst Shaun Weick, Equity Analyst Sam Koch, Senior Equities Dealer Cooper Rogers and Equities Dealer Will Thompson, who contribute immensely to our team and culture. We are fortunate to have them in the Wilson Asset Management Family.

Wilson Asset Management prides itself on being a dedicated, high-performing business, committed to best serving our shareholders. During the year, we promoted several team members in recognition of the exceptional quality of their work, including: Nick Healy to Portfolio Manager; Shaun Weick to Senior Equity Analyst; Cooper Rogers to Senior Equities Dealer; Ophelia Lam to Finance Manager; Huseyin Dervish and Lillie Johnson to Finance Team Leaders; Andrew Finch to Senior Investment Operations Administrator; and Isabel Mills to Assistant Financial Accountant.

Our team continues to grow and we were pleased to welcome several new additions to the Wilson Asset Management Family, including in our Investment, Corporate Affairs, Finance and Operations teams.

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 an investment manager, Wilson Asset Management invests over $5 billion on behalf of more than 110,000 retail investors.

Wilson Asset Management is proud to be the Investment Manager for WAM Active, together with seven other LICs: WAM Capital (ASX: WAM), WAM Global (ASX: WGB), WAM Leaders (ASX: WLE), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR) and WAM Research (ASX: WAX).

We are passionate about making a positive difference to our shareholders and the community. In the 2021 financial year, the team made a difference through philanthropy, advocacy, and shareholder engagement.

Philanthropy

Wilson Asset Management created and is the lead supporter of Australia's first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Since listing in 2014 and 2015, the companies have supported young Australians who are at-risk or experiencing mental ill-health.

Wilson Asset Management 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.

We are honoured to provide support to Olympic athletes, through managing over $9 million for the Australian Olympic Committee (AOC) on a pro bono basis. The AOC provides crucial financial and institutional support to Australian athletes to compete at an Olympic level. All fees are foregone by the Investment Manager.

Wilson Asset Management is proud to be a founding donor of the Indigenous Residential College being built by the University of Technology Sydney (UTS). The first of its kind in Australia, the college is a product of deep and continuing consultation with local and national communities. Importantly the college is Indigenous designed and led, creating a culturally embedded and collaborative space which will support Indigenous students to become the next generation of global change makers, policy makers and community leaders.

The team at Wilson Asset Management is proud to have supported the film *In My Blood It Runs*, which depicts 10-year-old Dujuan Hoosan's struggles with identity, education and the youth justice system in the Northern Territory. As a result of this important film, Dujuan became the youngest person to ever address the United Nations Human Rights Council calling for the need to raise the age of criminal responsibility in Australia and to highlight the critical need for Aboriginal-led education models.

Advocacy

Our advocacy work on behalf of retail investors in the Australian equity market is an utmost priority. We firmly believe all shareholders, both retail and wholesale, should be treated equitably when investing in the Australian equity market. On 11 December 2020, we lodged a submission to the Senate Select Committee, in an effort to stop retail investors being locked out of discounted capital raisings, which are only open to wholesale investors.

We also participated in the public debate and formal consultation about permanently removing the requirement for annual general meetings (AGM) to be conducted in person. We are firmly opposed to this change as it would undermine AGM transparency and board accountability, primarily impacting retail shareholders. I would like to thank all shareholders for their support in advocating for retail shareholders' rights and for your emails, letters and phone calls sharing your personal stories. We were pleased to see Federal Treasurer Josh Frydenberg endorse our preferred hybrid model for AGMs, ensuring the requirement for AGMs to be conducted in person and virtually. We look forward to holding our AGMs in person when it is safe to do so.

We also remain committed to education initiatives which advocate for change and progress in corporate Australia. We supported the University of New South Wales' School of Mathematics and Statistics' *Girls Do The Maths* program, which aims to inspire girls in high school to consider tertiary studies and careers in mathematics and statistics. We believe in the importance of gender diversity in the financial services industry, in particular funds management, which provide rewarding career paths.

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Shareholder engagement and communication

Shareholders are the owners of WAM Active; Wilson Asset Management's responsibility is to manage the Company on your behalf and be available to report to you on a regular basis. This year, we were once again unable to take to the road and meet with our shareholders across the country and we have missed catching up with you all, over a cup of tea, at our Shareholder Presentations. We have enjoyed our daily email and telephone correspondence, regular Investor Q&A webinars and providing you with a virtual alternative in WAM Vault. Our third instalment, *The Return of Fundamentals*, was released on 8 June 2021. If you have not yet done so, we encourage you to visit **wilsonassetmanagement.com.au/vault** to watch, read and listen to the engaging and insightful conversations.

We encourage all shareholders to engage with us in a way that best suits them, with a variety of options available to keep informed on our investment insights and updates. Our approach includes:

- Updates from our Lead Portfolio Managers
- Investment team insights at WAM Vault: **wilsonassetmanagement.com.au/vault**
- Roundtables with our shareholders and planners, advisers and their clients
- NTA reports and investment updates
- Shareholder Q&A calls and webinars
- Social media engagement
- Investor education material
- Presentations and lunches across Australia
- Annual and interim results announcements

As always, please reach out to us by phone on (02) 9247 6755 or by email at info@wilsonassetmanagement.com.au if you ever have any questions or feedback.

Thank you for your continued support.



Kate Thorley
Chief Executive Officer

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Objectives and investment process

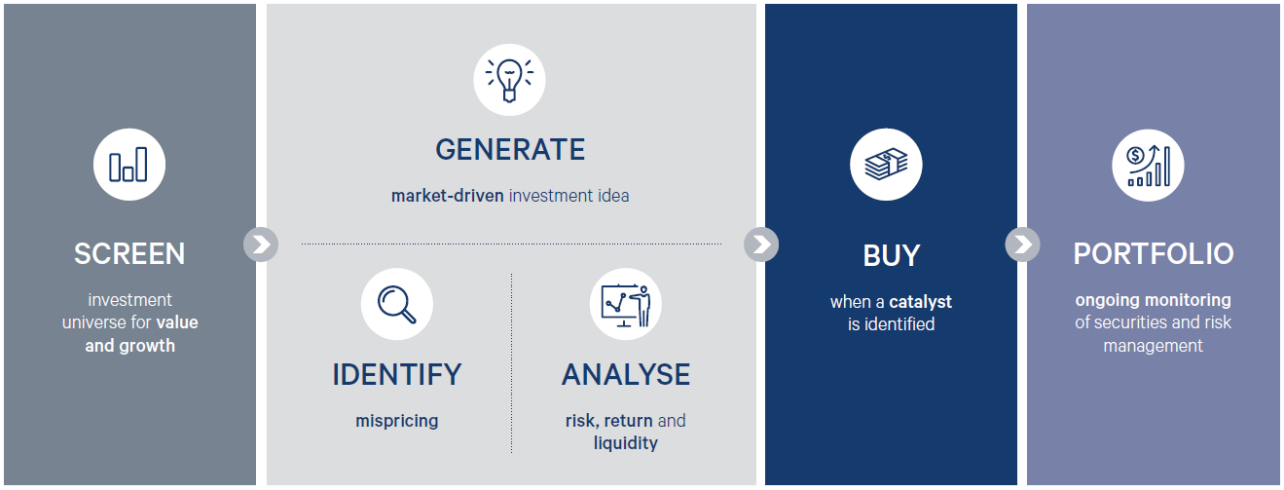
Investment objectives

The investment objectives of WAM Active are to:

- deliver investors a regular income stream in the form of fully franked dividends;
- provide investors with a positive return with low volatility, after fees, over most periods of time; and
- preserve capital in both the short term and long term.

Investment process – focus on market mispricing opportunities within the Australian market

WAM Active provides investors with access to Wilson Asset Management's market-driven process, focused on identifying market mispricing opportunities in the Australian equity market. The investment portfolio is actively traded, and as such, opportunities are derived from initial public offerings, placements, block trades, rights issues, corporate transactions (such as takeovers, mergers, schemes of arrangements, corporate spin offs and restructures), arbitrage opportunities, LIC discount arbitrages, short selling and trading market themes and trends. We also participate in investment opportunities that provide the Company with a yield that is better than our return on cash.



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Directors' Report to shareholders for the year ended 30 June 2021

The Directors present their report together with the financial report of WAM Active for the financial year ended 30 June 2021.

Principal activity

The principal activity of the Company is making investments in listed companies. The Company's investment objectives are to deliver a regular income stream of fully franked dividends, provide a positive return with low volatility and preserve capital. No change in this activity took place during the year or is likely to in the future.

Operating and financial review

Investment operations over the year resulted in a record operating profit before tax of $8,572,477 (2020: operating loss before tax of $1,399,487) and a record operating profit after tax of $6,270,606 (2020: operating loss after tax of $767,421). The profit for the period is reflective of the investment portfolio performance over the year. The investment portfolio rose 26.8% whilst holding on average 8.5% in cash, while the S&P/ASX All Ordinaries Accumulation Index rose 30.2% and the Bloomberg AusBond Bank Bill Index (Cash) rose 0.1% for the year.

The operating profit for the period includes unrealised gains or losses arising from changes in the fair value of the investments held in the portfolio during the period. This movement in the fair value of investments can add to or reduce the realised gains and losses on the investment portfolio and other revenue from operating activities (such as dividend and interest income) in each period. Because of this treatment under the Accounting Standards, this can cause large variations in reported operating profits between periods.

The operating profit for each financial period is reflective of the underlying investment portfolio performance and is important to understand with context to the overall performance of equity markets in any given period. As a result, we believe the more appropriate measures of the financial results for the period are the investment portfolio performance, the change in net tangible assets (NTA) and fully franked dividends, together with total shareholder return.

Further information on the three key listed investment company performance measures and the operating and financial review of the Company is contained in the Chairman's Letter.

Financial position

The net asset value of the Company as at 30 June 2021 was $76,535,625 (2020: $45,227,618). Further information on the financial position of the Company is contained in the Chairman's Letter.

Significant changes in state of affairs

There was no significant change in the state of affairs of the Company during the year ended 30 June 2021.

Dividends paid or declared

Dividends paid or declared during the year are as follows:

	$
Fully franked FY2020 final dividend of 3.0 cents per share paid on 30 October 2020	1,398,609
Fully franked FY2021 interim dividend of 3.0 cents per share paid on 28 May 2021	2,177,987

Since the end of the year, the Directors declared a fully franked final dividend of 3.0 cents per share to be paid on 29 October 2021.

Directors

The following persons were Directors of the Company during the financial year and up to the date of this report:

- Geoff Wilson AO
- Kate Thorley
- Karina Kwan
- Emma Rugge-Price

Information on Directors

Geoff Wilson AO (Chairman – non-independent)

Experience and expertise

Geoff Wilson has over 41 years' direct experience in investment markets having held a variety of senior investment roles in Australia, the UK and the US. Geoff founded Wilson Asset Management in 1997 and created Australia's first listed philanthropic wealth creation vehicles, Future Generation Investment Company Limited and Future Generation Global Investment Company Limited. Geoff holds a Bachelor of Science, a Graduate Management Qualification and is a Fellow of the Financial Services Institute of Australia and the Australian Institute of Company Directors (AICD).

Geoff has been Chairman of the Company since July 2007.

Other current directorships

Geoff Wilson is currently Chairman of WAM Capital Limited (appointed March 1999), WAM Research Limited (appointed June 2003), WAM Leaders Limited (appointed March 2016), WAM Microcap Limited (appointed March 2017), WAM Global Limited (appointed February 2018), WAM Strategic Value Limited (appointed March 2021) and the Australian Stockbrokers Foundation. He is the founder and a Director of Future Generation Investment Company Limited (appointed July 2014) and Future Generation Global Investment Company Limited (appointed May 2015) and a Director of WAM Alternative Assets Limited (appointed September 2020), Global Value Fund Limited (appointed April 2014), Century Australia Investments Pty Limited (appointed September 2014), Incubator Capital Limited (appointed February 2000), Hearts and Minds Investments Limited (appointed September 2018), Wealth Defender Equities Pty Limited (appointed October 2018), Wollongong 2022 Limited (appointed March 2019), Concentrated Leaders Fund Pty Limited (appointed March 2021), Sporting Chance Cancer Foundation, Australian Fund Managers Foundation, Australian Children's Music Foundation and he is a Member of the Second Bite NSW Advisory Committee. He is the founder and Director of investment management companies Wilson Asset Management (International) Pty Limited and MAM Pty Limited.

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Geoff Wilson AO (Chairman – non-independent) (cont'd)

Former directorships in the last 3 years

Geoff Wilson resigned as a director of 8IP Emerging Companies Limited in September 2020 and Australian Leaders Fund Limited in March 2021.

Special responsibilities

Chairman of the Board.

Interests in shares of the Company

Details of Geoff Wilson's interests in shares of the Company are included later in this report.

Interests in contracts

Details of Geoff Wilson's interests in contracts of the Company are included later in this report.

Kate Thorley (Director – non-independent)

Experience and expertise

Kate Thorley has over 16 years' experience in the funds management industry and more than 22 years of financial accounting and corporate governance experience. Kate is the Chief Executive Officer of Wilson Asset Management (International) Pty Limited, Director of WAM Capital Limited, WAM Leaders Limited, WAM Research Limited, WAM Microcap Limited, WAM Global Limited and WAM Strategic Value Limited. Kate is a Director and the Acting CEO of Future Generation Investment Company Limited and Future Generation Global Investment Company Limited. She holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance and Investment, Graduate Diploma of Applied Corporate Governance and is a fully qualified CA. She is a Graduate member of the AICD (GAICD).

Kate Thorley has been a Director of the Company since July 2014.

Other current directorships

Kate Thorley is a Director of WAM Research Limited (appointed August 2014), Future Generation Investment Company Limited (appointed April 2015), WAM Leaders Limited (appointed March 2016), WAM Capital Limited (appointed August 2016), WAM Global Limited (appointed February 2018), Future Generation Global Investment Company Limited (appointed March 2021) and WAM Strategic Value Limited (appointed March 2021).

Former directorships in the last 3 years

Kate Thorley has not resigned as a Director from any listed companies within the last three years.

Special responsibilities

Member of the Audit and Risk Committee.

Interests in shares of the Company

Details of Kate Thorley's interests in shares of the Company are included later in this report.

Interests in contracts

Kate Thorley has no interests in contracts of the Company.

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Karina Kwan (Director – independent)

Experience and expertise

Karina Kwan is a non-executive director of several boards. Her board contribution includes strategic, financial and risk-governance expertise, leveraging over 30 years' experience in financial services. Karina has led an accomplished executive career, including the roles of Chief Financial Officer of Citi Australia & New Zealand, and General Manager/CFO of the corporate center divisions of the Commonwealth Bank of Australia. Karina holds a Bachelor of Economics (University of Sydney), is a Fellow Certified Practicing Accountant of CPA Australia, and a Graduate of the Australian Institute of Company Directors. Karina also serves on the Board of Advice of the University of Sydney Business School.

Karina Kwan has been a Director of the Company since July 2018.

Other current directorships

Karina Kwan is a Director of Kyckr Limited (appointed November 2018), Nulis Nominees (Australia) Limited (appointed December 2019) and Newcastle Permanent Building Society Limited (appointed March 2020).

Former directorships in the last 3 years

Karina Kwan has not resigned as a Director from any listed companies within the last three years.

Special responsibilities

Chair of the Audit and Risk Committee.

Interests in shares of the Company

Karina Kwan has no interests in shares of the Company.

Interests in contracts

Karina Kwan has no interests in contracts of the Company.

Emma Rugge-Price (Director – independent)

Experience and expertise

Emma Rugge-Price has had a global career in technology marketing, having worked for both multi-national and start-up organisations in Hong Kong, London and Silicon Valley. Returning to Australia, she joined GE (and GE Capital), where she led local and global brand programs, marketing and communications for over 14 years. Emma has deep expertise in building brands and reputations through creative campaigns and strategic thought leadership. She is a Graduate member of the AICD (GAICD).

Emma Rugge-Price has been a Director of the Company since March 2018.

Other current directorships

Emma Rugge-Price is a Director of Great Walks of Australia (appointed February 2020).

Former directorships in the last 3 years

Emma Rugge-Price has not resigned as a Director from any listed companies within the last three years.

Emma Rugge-Price (Director – independent) (cont'd)

Special responsibilities

Member of the Audit and Risk Committee.

Interests in shares of the Company

Emma Rugge-Price has no interests in shares of the Company.

Interests in contracts

Emma Rugge-Price has no interests in contracts of the Company.

Joint Company Secretaries

The following persons held the position of Joint Company Secretary at the end of the financial year:

Jesse Hamilton

Jesse is a Chartered Accountant with more than 13 years' experience working in advisory and assurance services, specialising in funds management. As the Chief Financial Officer, Jesse oversees all finance and accounting of Wilson Asset Management (International) Pty Limited. He is Company Secretary for WAM Alternative Assets Limited and WAM Strategic Value Limited, and Joint Company Secretary for WAM Capital Limited, WAM Leaders Limited, WAM Global Limited, WAM Microcap Limited, WAM Research Limited and WAM Active Limited, in addition to Future Generation Australia and Future Generation Global. Prior to joining Wilson Asset Management, Jesse worked as Chief Financial Officer of an ASX listed company and also worked as an advisor specialising in assurance services, valuations, mergers and acquisitions, financial due diligence and capital raising activities for listed investment companies.

Jesse was appointed Company Secretary of WAM Active in November 2020.

Linda Kiriczenko

Linda Kiriczenko has over 17 years' experience in financial accounting including more than 13 years in the funds management industry. As the Finance Manager of Wilson Asset Management (International) Pty Limited, Linda oversees finance and accounting and is also Company Secretary for six listed investment companies, WAM Capital Limited, WAM Research Limited, WAM Active Limited, WAM Microcap Limited, WAM Global Limited and WAM Leaders Limited. Linda holds a Bachelor of Commerce and is a fully qualified CPA. She is a certified member of the Governance Institute of Australia.

Linda was appointed Company Secretary of WAM Active Limited in February 2016.

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each Director of WAM Active.

a) Remuneration of Directors

All Directors of WAM Active are non-executive Directors. The Board from time to time determines remuneration of Directors within the maximum amount approved by the shareholders at the Annual General Meeting. Directors are not entitled to any other remuneration.

Fees and payments to Directors reflect the demands that are made on and the responsibilities of the Directors and are reviewed annually by the Board. The Company determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced Directors.

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Remuneration Report (Audited) (cont'd)

The maximum total remuneration of the Directors of the Company has been set at $110,000 per annum. Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities and membership of committees.

Directors' remuneration received for the year ended 30 June 2021:

Director	Position	Short-term employee benefits Directors' fees $	Post-employment benefits Superannuation $	Total $
Geoff Wilson	Chairman	9,132	868	10,000
Kate Thorley	Director	9,132	868	10,000
Karina Kwan	Director	27,397	2,603	30,000
Emma Rugge-Price	Director	27,397	2,603	30,000
		73,058	**6,942**	**80,000**

Directors receive a superannuation guarantee contribution required by the government, which was 9.5% of individuals benefits for FY2021 and do not receive any retirement benefits. Directors may also elect to salary sacrifice their fees into superannuation.

Directors' remuneration received for the year ended 30 June 2020:

Director	Position	Short-term employee benefits Directors' fees $	Post-employment benefits Superannuation $	Total $
Geoff Wilson	Chairman	9,132	868	10,000
Kate Thorley	Director	9,132	868	10,000
Karina Kwan	Director	27,397	2,603	30,000
Emma Rugge-Price	Director	27,397	2,603	30,000
		73,058	**6,942**	**80,000**

b) Director related entities remuneration

The following table reflects the Company's performance and Directors' remuneration over five years:

	2021	2020	2019	2018	2017
Operating profit/(loss) after tax ($)	$6,270,606	($767,421)	$673,133	$3,415,830	$2,065,860
Dividends (cents per share)	6.0	6.0	5.9	5.7	5.5
Share price ($)	$1.095	$0.90	$0.995	$1.105	$1.10
NTA after tax (cents per share)	104.42	96.86	104.46	108.32	105.02
Total Directors' remuneration ($)	$80,000	$80,000	$80,000	$90,082	$90,000
Shareholders' equity ($)	$76,535,625	$45,227,618	$48,342,728	$45,101,455	$40,818,742

As outlined above, Directors' fees are not directly linked to the Company's performance.

Remuneration Report (Audited) (cont'd)

b) Director related entities remuneration (cont'd)

All transactions with related entities during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with MAM Pty Limited (the Investment Manager or the Manager), part of the Wilson Asset Management Group. Geoff Wilson is the Director of MAM Pty Limited, the entity appointed to manage the investment portfolio of WAM Active. Entities associated with Geoff Wilson hold 100% of the issued shares of MAM Pty Limited. In its capacity as the Manager, and in accordance with the investment management agreement, MAM Pty Limited was paid a management fee of 1% p.a. (plus GST) of the value of the portfolio amounting to $622,840 inclusive of GST (2020: $516,955). As at 30 June 2021, the balance payable to the Manager was $70,232 inclusive of GST (2020: $39,825).

In addition, MAM Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of the increase in the gross value of the portfolio above the high-water mark.

The high-water mark is the greater of:

- the highest gross value of the portfolio as at the last day of the last performance period for which a performance fee was last paid or payable; and
- the gross proceeds raised from the issue of shares pursuant to the original prospectus.

If the gross value of the portfolio falls below a previous high-water mark then no further performance fees can be accrued or paid until the loss has been fully recovered.

The performance fee for FY2021 was subject to the high-water mark, which was recovered in full during the period. As at 30 June 2021, a performance fee of $1,945,033 inclusive of GST was payable to the Manager (2020: nil).

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Active to provide accounting and Company Secretarial services on commercial terms. For the year ended 30 June 2021, the fee for accounting services amounted to $46,200 inclusive of GST (2020:

$46,200) and the fee for Company Secretarial services amounted to $16,500 inclusive of GST (2020: $16,500). Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

These amounts are in addition to the above Director's remuneration. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company of the Director or with a firm of which he/she is a member or with a Company in which he/she has substantial financial interest.

c) Remuneration of executives

There are no executives that are paid by the Company. MAM Pty Limited, the Investment Manager of the Company, provides the day to day management of the Company and is remunerated as outlined above.

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Remuneration Report (Audited) (cont'd)

d) Equity instruments disclosures of Directors and related parties

As at the date of this report, the Company's Directors and their related parties held the following interests in the Company:

Ordinary shares held Directors	Balance at 30 June 2020	Acquisitions	Disposed	Balance at 30 June 2021
Geoff Wilson	1,240,303	27,777	-	1,268,080
Kate Thorley	66,809	20,375	-	87,184
Karina Kwan	-	-	-	-
Emma Rugge-Price	-	-	-	-
	1,307,112	**130,267**	**-**	**1,355,264**

Options held Directors	Balance at 30 June 2020	Bonus issue allotment/acquisitions	Options exercised/disposed	Balance at 30 June 2021
Geoff Wilson	-	1,268,080	-	1,268,080
Kate Thorley	-	87,184	-	87,184
Karina Kwan	-	-	-	-
Emma Rugge-Price	-	-	-	-
	-	**1,355,264**	**-**	**1,355,264**

There have been no changes in shareholdings and option holdings disclosed above between 30 June 2021 and the date of the report.

Directors and director related entities disposed of and acquired ordinary shares and options in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end of the financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

- End of Remuneration Report –

Directors' meetings

Director	No. eligible to attend	Attended
Geoff Wilson	4	4
Kate Thorley	4	4
Karina Kwan	4	4
Emma Rugge-Price	4	4

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Audit and Risk Committee meetings

The main responsibilities of the Audit and Risk Committee are set out in the Company's 2021 Corporate Governance Statement.

Audit and Risk Committee member	No. eligible to attend	Attended
Karina Kwan	4	4
Emma Rugge-Price	4	4
Kate Thorley	4	4

Share Purchase Plan, Placement and Bonus Issue of Options

On 24 February 2021, the Board of Directors announced its intention to grow WAM Active to the benefit of all shareholders through a Share Purchase Plan (SPP), Placement and a one-for-one Bonus Option Issue. The SPP offered existing shareholders the opportunity to acquire up to $30,000 of ordinary, fully paid shares in WAM Active without incurring any brokerage fees. The SPP was offered to existing shareholders at the fixed price of $1.08 per share and raised $12.6 million.

In March 2021, WAM Active professional and sophisticated investors participated in a Placement at the same price and under the same terms as the SPP. The oversubscribed Placement raised $12.6 million utilising WAM Active's 15% Placement capacity under the ASX Listing Rules and the additional 10% Placement capacity approved by shareholders at the previous AGM.

The SPP and Placement raised a total of more than $25.2 million to the benefit of all shareholders, and was invested in accordance with our proven investment process.

Shareholders who participated in the SPP and Placement were entitled to the Bonus Issue of Options on any new Shares issued under the Offer, which continued to be held at 7:00pm (Sydney Time), Thursday 25 March 2021, being the record date for the Bonus Option Issue. Each WAM Active Option provides holders with the opportunity, but not the obligation, to purchase one additional WAM Active share for $1.10 per Option, without incurring any brokerage fees.

The Options can be exercised at any time, up until they expire on Monday 31 October 2022. Shareholders who exercise their options before 14 October 2021 will be eligible to receive the fully franked final dividend of 3.0 cents per share. As at 30 June 2021, a total of 2,659,189 options has been exercised for a total consideration of $2,925,107, with the remaining balance of outstanding options being 67,407,220.

After balance date events

Since the end of the year, the Directors declared a fully franked final dividend of 3.0 cents per share to be paid on 29 October 2021.

No matter or circumstance has arisen since the end of the financial year, other than already disclosed, which significantly affects or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Future developments

The Company will continue to pursue investment activities – primarily investing in equities listed on the Australian Securities Exchange – to achieve the Company's stated objectives.

The Company's future performance is dependent on the performance of the Company's investments. In turn, the performance of these investments is impacted by investee company-specific factors and

prevailing industry conditions. In addition, a range of external factors including economic growth rates, interest rates, exchange rates and macro-economic conditions impact the overall equity market and these investments.

As such, we do not believe it is possible or appropriate to accurately predict the future performance of the Company's investments and, therefore, the Company's performance.

Environmental Regulation

The Company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnification and insurance of officers or Auditors

During the financial year the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and any related body corporate against liability incurred as such by a Director or Secretary to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Proceedings on behalf of the Company

On 24 December 2020, the Court issued judgement in favour of WAM Active and ordered KBC pay WAM Active and ASIC's costs in relation to the proceedings. WAM Active was successful in both opposing the relief sought by KBC and obtaining the orders and declarations it had sought (by interlocutory process) in these proceedings. KBC has appealed the Supreme Court's decision in favour of WAM Active and the Company is currently waiting for the decision in relation to the appeal proceedings.

Non-audit services

During the year Pitcher Partners, the Company's auditor, performed taxation and other services for the Company. Details of the amounts paid to the auditors and their related parties are disclosed in Note 5 to the financial statements.

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 5 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit and Risk Committee to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with the APES 110: Code of Ethics for Professional Accountants (including Independence Standards) set by the Accounting Professional and Ethical Standards Board.

Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report have been rounded to the nearest dollar, unless otherwise indicated.

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Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2021 is provided on the Company's website at wilsonassetmanagement.com.au.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 28 of the Annual Report.

Signed in accordance with a resolution of the Board of Directors.



Geoff Wilson AO
Chairman
Dated this 25th day of August 2021

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Auditor's Independence Declaration
To the Directors of WAM Active Limited
ABN 49 126 420 719

In relation to the independent audit of WAM Active Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief there have been:

(i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards).*

S M Whiddett
Partner

Pitcher Partners
Sydney

25 August 2021

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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Statement of comprehensive income for the year ended 30 June 2021

	Note	2021 $	2020 $
Net realised and unrealised gains/(losses) on financial investments		10,831,696	(939,214)
Other revenue from operating activities	2	1,276,630	1,029,546
Management fees		(580,373)	(481,708)
Performance fees		(1,812,417)	-
Directors fees		(80,000)	(80,000)
Brokerage expense on share purchases		(261,771)	(230,968)
Expenses paid on borrowed stock		(1,180)	(9,900)
Custody fees		(2,962)	(4,137)
ASX listing and CHESS fees		(62,204)	(52,243)
Share registry fees		(42,546)	(35,068)
Disbursements, mailing and printing		(16,100)	(31,451)
ASIC industry funding levy		(6,136)	(5,888)
Legal and professional fees		(484,992)	(395,306)
Other expenses from ordinary activities		(185,168)	(163,150)
Profit/(loss) before income tax		**8,572,477**	**(1,399,487)**
Income tax (expense)/benefit	3(a)	(2,301,871)	632,066
Profit/(loss) after income tax attributable to members of the Company		**6,270,606**	**(767,421)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		**6,270,606**	**(767,421)**
Basic and diluted earnings/(loss) per share	15	**11.72 cents**	**(1.65 cents)**

The accompanying notes form part of these financial statements.

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Statement of financial position as at 30 June 2021

	Note	2021 $	2020 $
Current assets			
Cash and cash equivalents	13	14,922,854	7,495,336
Trade and other receivables	6	2,327,516	1,042,349
Financial assets	7	63,459,801	36,650,348
Current tax assets	3(c)	-	727,711
Total current assets		**80,710,171**	**45,915,744**
Non-current assets			
Deferred tax assets	3(b)	2,035,854	1,952,684
Total non-current assets		**2,035,854**	**1,952,684**
Total assets		**82,746,025**	**47,868,428**
Current liabilities			
Financial liabilities	8	-	66,533
Trade and other payables	9	6,062,527	1,816,513
Current tax liabilities	3(c)	139,426	-
Total current liabilities		**6,201,953**	**1,883,046**
Non-current liabilities			
Deferred tax liabilities	3(d)	8,447	757,764
Total non-current liabilities		**8,447**	**757,764**
Total liabilities		**6,210,400**	**2,640,810**
Net assets		**76,535,625**	**45,227,618**
Equity			
Issued capital	10	76,802,356	48,188,359
Profits reserve	11	5,917,114	2,744,070
Accumulated losses	12	(6,183,845)	(5,704,811)
Total equity		**76,535,625**	**45,227,618**

The accompanying notes form part of these financial statements.

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Statement of changes in equity for the year ended 30 June 2021

	Note	Issued capital $	Accumulated losses $	Profits reserve $	Total equity $
Balance at 1 July 2019		**47,780,906**	**(1,619,301)**	**2,181,123**	**48,342,728**
Profit for the year		-	(767,421)	-	(767,421)
Transfer to profits reserve		-	(3,318,089)	3,318,089	-
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via dividend reinvestment plan	**10(b)**	407,453	-	-	407,453
Dividends paid	**4(a)**	-	-	(2,755,142)	(2,755,142)
Balance at 30 June 2020		**48,188,359**	**(5,704,811)**	**2,744,070**	**45,227,618**
Profit for the year		-	6,270,606	-	6,270,606
Transfer to profits reserve		-	(6,749,640)	6,749,640	-
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via share purchase plan	**10(b)**	12,653,713	-	-	12,653,713
Shares issued via placement	**10(b)**	12,637,645	-	-	12,637,645
Shares issued via dividend reinvestment plan	**10(b)**	507,496	-	-	507,496
Shares issued via exercise of options	**10(b)**	2,925,107	-	-	2,925,107
Shares issue costs (net of tax)	**10(b)**	(109,964)	-	-	(109,964)
Dividends paid	**4(a)**	-	-	(3,576,596)	(3,576,596)
Balance at 30 June 2021		**76,802,356**	**(6,183,845)**	**5,917,114**	**76,535,625**

The accompanying notes form part of these financial statements.

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Statement of cash flows for the year ended 30 June 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Proceeds from sale of investments		192,237,390	186,438,519
Payments for purchase of investments		(207,081,601)	(187,220,801)
Dividends received		756,046	720,913
Interest received		13,631	94,941
Other investment income received		442,471	249,753
Management fee (GST inclusive)		(592,431)	(521,395)
Performance fee (GST inclusive)		-	(134,109)
Brokerage expense on share purchases (GST inclusive)		(280,420)	(247,381)
Payments for administration expenses (GST inclusive)		(897,529)	(788,502)
Income tax paid		(2,220,095)	(958,203)
GST on brokerage expense on share sales		(15,515)	(16,209)
Net GST received from the ATO		75,298	80,129
Net cash used in operating activities	**14**	**(17,562,755)**	**(2,302,345)**
Cash flows from financing activities			
Proceeds from issue of shares via share purchase plan		12,653,713	-
Proceeds from issue of shares via placement		12,637,645	-
Proceeds from issue of shares via exercise of options		2,925,107	-
Dividends paid – net of reinvestment		(3,069,100)	(2,347,689)
Share issue costs		(157,092)	-
Net cash provided by/(used in) financing activities		**24,990,273**	**(2,347,689)**
Net increase/(decrease) in cash and cash equivalents held		**7,427,518**	**(4,650,034)**
Cash and cash equivalents at beginning of financial year		7,495,336	12,145,370
Cash and cash equivalents at end of financial year	**13**	**14,922,854**	**7,495,336**
Non-cash transactions:			
Shares issued via dividend reinvestment plan		507,496	407,453

The accompanying notes form part of these financial statements.

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Notes to the financial statements for the year ended 30 June 2021

1. Significant accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.*

WAM Active is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue on 25 August 2021 by the Board of Directors.

WAM Active is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures the financial statements and notes also comply with International Financial Reporting Standards (IFRS) as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs except for financial assets and certain other financial assets and liabilities which have been measured at fair value. All amounts are presented in Australian dollars.

In accordance with ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Financial Statements have been rounded to the nearest dollar, unless otherwise indicated.

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

a) Financial assets and financial liabilities

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, trade date accounting is adopted, which is equivalent to the date that the Company commits to purchase or sell the assets.

Financial assets and liabilities are initially measured at fair value. Transaction costs related to financial assets and financial liabilities are expensed to the Statement of comprehensive income immediately.

1. Significant accounting policies (cont'd)

a) Financial assets and financial liabilities (cont'd)

Classification and subsequent measurement

Financial assets and financial liabilities are subsequently measured at fair value. Current market prices for all quoted investments are used to determine fair value. For all listed or unlisted securities that are not traded in an active market, valuation techniques are applied to determine fair value, including recent arm's length transactions and reference to similar instruments.

The Company classifies its financial assets and financial liabilities into the following categories:

(i) Financial assets at fair value through profit or loss

Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

(ii) Financial liabilities at fair value through profit or loss

Financial liabilities such as borrowed stock is classified 'at fair value through profit or loss'. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party, whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or have expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the Statement of comprehensive income.

b) Income tax

The charge of current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted at the reporting date. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred tax is accounted for using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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1. Significant accounting policies (cont'd)

b) Income tax (cont'd)
Deferred tax assets relating to temporary differences and unused tax losses are recognised, to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset only where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are only offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) Cash and cash equivalents
Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions and term deposits maturing within six months or less.

d) Revenue and other income
Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

e) Trade and other receivables
Trade and other receivables are non-derivative financial assets and are initially recognised at fair value. They are subsequently stated at amortised cost, less any provision for impairment. Refer to Note 1(g) for further detail.

f) Trade and other payables
Trade and other payables are non-derivative financial liabilities and are stated at their amortised cost.

g) Impairment of assets
The Company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition (this has replaced the incurred loss model). All the trade receivables of the Company share the same credit risk characteristics. Indicators that there is no reasonable expectation of recovery include, amongst others, the Standard & Poor's credit risk rating of a debtor, and a failure to make contractual payments for a period of greater than 30 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within the Statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item. As at 30 June 2021, there are no expected credit losses recognised (2020: nil).

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1. Significant accounting policies (cont'd)

h) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised exclusive of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Statement of financial position.

Cash flows are presented in the Statement of cash flows on a gross basis (inclusive of GST), except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i) Comparative figures
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

j) Critical accounting estimates and judgments
The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

In accordance with AASB 112 Income Taxes, deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be used. The assumptions about future taxable profits require the use of judgment. Future taxable profits are determined based on the historical performance of the Company and the ability of the Company to generate positive performance even when market conditions are uncertain. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

There are no estimates or judgments that have a material impact on the Company's financial results for the year ended 30 June 2021. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgments are required in respect to their valuation.

k) Profits reserve
The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

l) Issued capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

m) Dividends
Dividends are recognised when declared during the financial year.

n) New standards and interpretations not yet adopted
There are no new standards or interpretations applicable that would have a material impact for the Company.

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2. Other revenue

	2021 $	2020 $
Australian sourced dividends	806,908	683,904
Trust distributions	286,152	241,638
Other income	132,268	-
Interest	27,933	85,382
Underwriting fees	16,396	7,544
Foreign sourced dividends	6,973	11,078
	1,276,630	**1,029,546**

3. Taxation

a) Income tax expense/(benefit)

The prima facie tax on profit/(loss) before income tax is reconciled to the income tax expense/(benefit) as follows:

	2021 $	2020 $
Prima facie tax on profit/(loss) before income tax at 30% (2020: 30%)	2,571,743	(419,846)
Imputation credit gross up	111,578	92,436
Imputation credit offset	(371,927)	(308,120)
Foreign income tax gross up	391	516
Foreign income tax offset	(1,302)	(1,720)
Other non-assessable items*	(10,333)	4,668
Over provision in prior period	1,721	-
	2,301,871	**(632,066)**
Effective tax rate	26.9%	(45.2%)

The effective tax rate reflects the benefit to the Company of franking credits received on dividend income during the year. The increase in the effective tax rate from the comparative year is reflective of the profit before income tax in comparison to the loss before income tax in the prior period, offset by the lower proportion of franked dividend income received compared to the profit before tax during the year.

*Other non-assessable items primarily relate to timing differences on franked dividends received.

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3. Taxation

a) Income tax expense/(benefit) (cont'd)

Total income tax expense results in a:	2021 $	2020 $
Current tax liability	3,087,232	(1,939,410)
Deferred tax liability	(749,317)	747,532
Deferred tax asset	(36,044)	559,812
	2,301,871	**(632,066)**

b) Deferred tax assets

	2021 $	2020 $
Provisions	9,124	9,075
Capitalised share issue costs	40,159	4,199
Tax losses	1,937,689	1,939,410
Fair value adjustments	48,882	-
	2,035,854	**1,952,684**
Movement in deferred tax assets		
Balance at the beginning of the year	1,952,684	573,086
Credited/(charged) to the statement of comprehensive income	36,044	(559,812)
Capitalised share issue costs	47,126	1,939,410
At reporting date	**2,035,854**	**1,952,684**

The Directors consider it probable that future taxable profits will be available against which the $1,937,689 of income tax losses can be recovered and therefore, the deferred tax asset recognised will be able to be utilised against future income tax payable.

c) Current tax liabilities/(assets)

	2021 $	2020 $
Balance at the beginning of the year	(727,711)	230,492
Current year income tax on operating profit/(loss)	3,087,232	(1,939,410)
Transfer tax losses to deferred tax asset	-	1,939,410
Net income tax paid	(2,220,095)	(958,203)
At reporting date	**139,426**	**(727,711)**

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3. Taxation (cont'd)

d) Deferred tax liabilities

	2021 $	2020 $
Fair value adjustments	-	756,335
Income provisions	8,447	1,429
	8,447	**757,764**
Movement in deferred tax liabilities		
Balance at the beginning of the year	757,764	10,232
(Credited)/charged to the statement of comprehensive income	(749,317)	747,532
At reporting date	**8,447**	**757,764**

4. Dividends

a) Ordinary dividends paid during the year

	2021 $	2020 $
Final dividend FY2020: 3.0 cents per share fully franked at 30% tax rate, paid 30 October 2020 (Final dividend FY2019: 2.95 cents per share fully franked)	1,398,609	1,363,140
Interim dividend FY2021: 3.0 cents per share fully franked at 30% tax rate, paid 28 May 2021 (Interim dividend FY2020: 3.0 cents per share fully franked)	2,177,987	1,392,002
	3,576,596	**2,755,142**

b) Dividends not recognised at year end

	2021 $	2020 $
In addition to the above dividends, since the end of the year, the Directors have declared a 3.0 cents per share fully franked final dividend (2020: 3.0 cents per share fully franked) which has not been recognised as a liability at the end of the financial year:	**2,195,198**	**1,398,609**

c) Dividend franking account

	2021 $	2020 $
Balance of franking account at year end	1,585,317	526,122
Adjusted for franking credits arising from: - Estimated income tax payable/(refundable)	139,426	(727,711)
Subsequent to the reporting period, the franking account would be reduced by the proposed dividend disclosed in Note 4(b):	(940,799)	(599,404)
	783,944	**(800,993)**

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4. Dividends (cont'd)

c) Dividend franking account (cont'd)

The Company's ability to continue to pay franked dividends is dependent on generating additional profits reserves and franking credits. The ability to generate franking credits is reliant on the receipt of franked dividends from investments and the payment of tax on profits.

The balance of the franking account does not include tax on unrealised investment gains at the end of the reporting period. As at 30 June 2021, the deferred tax in relation to fair value movements on the investment portfolio is in a debit balance of $48,882 and this amount has been presented as a deferred tax asset (2020: credit balance of $756,335 presented as a deferred tax liability).

5. Auditor's remuneration

	2021 $	2020 $
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial report	44,409	45,377
Other services provided by a related practice of the auditor:		
Taxation services	8,030	8,250
	52,439	**53,627**

The Company's Audit and Risk Committee oversees the relationship with the Company's external auditor. The Audit and Risk Committee reviews the scope of the audit and review and the proposed fee. It also reviews the cost and scope of other services provided by a related entity of the audit firm, to ensure that they do not compromise independence.

6. Trade and other receivables

	2021 $	2020 $
Outstanding settlements	1,991,513	996,554
GST receivable	162,467	18,600
Trade debtors	96,161	-
Investment income receivable	77,375	27,195
	2,327,516	**1,042,349**

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require the settlement within two days from the date of a transaction. Investment income receivable relates to interest, dividend and trust distributions receivable at the end of the reporting period.

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7. Financial assets

	2021 $	2020 $
Listed investments at fair value	60,394,525	36,497,018
Unlisted investments at fair value	3,065,276	153,330
	63,459,801	**36,650,348**

The fair values of individual investments held at the end of the reporting period are disclosed on page 61 of the Annual Report.

8. Financial liabilities

	2021 $	2020 $
Borrowed stock	**-**	**66,533**

Borrowed stock is carried at fair value. The Company provides cash collateral backing of 105% of the fair value of the borrowed stock to the stock lender. The level of borrowed stock plus other borrowings cannot exceed 50% of the gross value of the Portfolio of the Company as outlined in the Management Agreement.

9. Trade and other payables

	2021 $	2020 $
Outstanding settlements	3,837,856	1,657,120
Performance fee payable	1,945,033	-
Sundry payables	209,406	119,568
Management fee payable	70,232	39,825
	6,062,527	**1,816,513**

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within two days from the date of the transaction. Sundry payables are settled within the terms of payment offered. No interest is applicable on these accounts.

10. Issued capital

a) Paid-up capital

	2021 $	2020 $
73,173,266 ordinary shares fully paid (2020: 46,620,288)	**76,802,356**	**48,188,359**

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10. Issued capital (cont'd)

b) Ordinary shares

	2021 $	2020 $
Balance at the beginning of the year 46,620,288 ordinary shares fully paid (2020: 46,208,095)	48,188,359	47,780,906
185,808 ordinary shares issued on 30 October 2020 under a dividend reinvestment plan	200,571	-
11,716,401 ordinary shares issued on 25 March 2021 under a share purchase plan	12,653,713	-
11,701,523 ordinary shares issued on 25 March 2021 under a placement	12,637,645	-
290,057 ordinary shares issued on 28 May 2021 under a dividend reinvestment plan	306,925	-
2,659,189 ordinary shares issued from the exercise of options at $1.10 per option	2,925,107	-
Share issue costs (net of tax)	(109,964)	-
191,971 ordinary shares issued on 18 October 2019 under a dividend reinvestment plan	-	208,100
220,222 ordinary shares issued on 28 April 2020 under a dividend reinvestment plan	-	199,353
At reporting date	**76,802,356**	**48,188,359**

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings, all substantive resolutions will be decided by a poll. In the event of the winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

c) Capital management

On 24 February 2021, the Board of Directors announced its intention to grow WAM Active to the benefit of all shareholders through a Share Purchase Plan (SPP), Placement and a one-for-one Bonus Option Issue. The SPP offered existing shareholders the opportunity to acquire up to $30,000 of ordinary, fully paid shares in WAM Active without incurring any brokerage fees. The SPP was offered to existing shareholders at the fixed price of $1.08 per share, a discount to the 23 February 2021 share price, which closed at $1.11 per share. More than 840 WAM Active shareholders participated in the SPP, which raised $12.6 million.

In March 2021, WAM Active professional and sophisticated investors participated in a Placement at the same price and under the same terms as the SPP. The oversubscribed Placement raised $12.6 million utilising WAM Active's 15% Placement capacity under the ASX Listing Rules and the additional 10% Placement capacity approved by shareholders at the AGM.

Shareholders who participated in the SPP and Placement were entitled to the Bonus Issue of Options on any new Shares issued under the Offer, which continued to be held at 7:00pm (Sydney Time), Thursday 25 March 2021, being the record date for the Bonus Option Issue.

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10. Issued capital (cont'd)

c) Capital Management (cont'd)

The Board manages the Company's capital by regularly reviewing the most efficient manner by which the Company deploys its capital. At the core of this, management is of the belief that shareholder value should be preserved through the management of the level of distributions to shareholders, share placements, share purchase plans, option issues and share buy-backs. These capital management initiatives will be used when deemed appropriate by the Board. There have been no changes in the strategy adopted by the Board to manage the capital of the Company during the year. The Company is not subject to any externally imposed capital requirements.

d) Options

On 24 February 2021, the Board of Directors announced a one-for-one Bonus Option Issue to all shareholders of the Company, at no additional cost. A total of 70,066,409 options were allotted to eligible shareholders on 26 March 2021. Each WAM Active option provides holders with the opportunity, but not the obligation, to purchase one additional WAM Active share for $1.10 per option, without paying brokerage fees. The options can be exercised at any time, up until they expire on Monday 31 October 2022. The options are currently trading on the ASX under the code WAAOA.

As at 30 June 2021, a total of 2,659,189 options have been exercised for a total consideration of $2,925,107 with the remaining balance of outstanding options being 67,407,220 which can be exercised at any time on or before 31 October 2022.

11. Profits reserve

	2021 $	2020 $
Profits reserve	**5,917,114**	**2,744,070**

The profits reserve is made up of amounts transferred from current year profits and are preserved for future dividend payments.

	2021 $	2020 $
Movement in profits reserve		
Balance at the beginning of the year	2,744,070	2,181,123
Transfer of profits during the year	6,749,640	3,318,089
Final dividend paid (refer to note 4(a))	(1,398,609)	(1,363,140)
Interim dividend paid (refer to note 4(a))	(2,177,987)	(1,392,002)
At reporting date	**5,917,114**	**2,744,070**

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12. Accumulated losses

	2021 $	2020 $
Balance at the beginning of the year	(5,704,811)	(1,619,301)
Transfer to profits reserve	(6,749,640)	(3,318,089)
Profit/(loss) for the year attributable to members of the Company	6,270,606	(767,421)
At reporting date	**(6,183,845)**	**(5,704,811)**

13. Cash and cash equivalents

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

	2021 $	2020 $
Cash at bank	14,922,854	7,420,877
Cash collateral for borrowed stock	-	74,459
	14,922,854	**7,495,336**

The weighted average interest rate for cash as at 30 June 2021 is 0.23% (2020: 0.41%). There were no term deposits held at 30 June 2021 (2020: nil).

14. Cash flow information

	2021 $	2020 $
Reconciliation of operating profit/(loss) after income tax:		
Profit/(loss) after income tax	6,270,606	(767,421)
Fair value (gains)/losses and movements in financial assets	(25,690,209)	156,932
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(290,208)	42,717
Decrease/(increase) in current tax assets	727,711	(727,711)
Increase in deferred tax assets	(36,042)	(1,379,598)
Increase/(decrease) in payables	2,065,278	(144,304)
Increase/(decrease) in current tax liabilities	139,426	(230,492)
(Decrease)/increase in deferred tax liabilities	(749,317)	747,532
Net cash used in operating activities	**(17,562,755)**	**(2,302,345)**

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15. Earnings per share

	2021 Cents per share	2020 Cents per share
Basic and diluted earnings/(loss) per share	11.72	(1.65)

	2021 $	2020 $
Profit/(loss) after income tax used in the calculation of basic and diluted earnings/(loss) per share	6,270,606	(767,421)

	2021 No.	2020 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted earnings/(loss) per share	53,487,693	46,388,834

The Company currently has outstanding options which have the potential to convert to ordinary shares. As the average share price from the issue date (26 March 2021) to 30 June 2021 is less than the option exercise price, they are currently not dilutive in amount and therefore have not been considered for the diluted earnings per share calculation.

16. Financial risk management

The Company's financial instruments consist of listed and unlisted investments, trade receivables, trade payables and borrowed stock. The risks exposed to through these financial instruments are discussed below and include credit risk, liquidity risk and market risk, consisting of interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objective, policies and processes for managing or measuring the risks during the year. The Company does not have any material exposure to economic, environmental and social sustainability risks, other than disclosed in this note.

Under delegation from the Board, the Manager has the responsibility for assessing and monitoring the financial market risk of the Company. The Manager monitors these risks daily. On a formal basis, the investment team meet twice weekly basis to monitor and manage the below risks as appropriate.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge a contracted obligation. The Manager monitors the credit worthiness of counterparties on an ongoing basis and evaluates the credit quality of all new counterparties before engaging with them.

The maximum exposure to credit risk on financial assets, excluding investments, of the Company which have been recognised on the Statement of financial position, is the carrying amount net of any expected credit losses of those assets.

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16. Financial risk management (cont'd)

a) Credit risk (cont'd)

The Manager is responsible for ensuring there is appropriate diversification across counterparties and that they are of a sufficient quality rating. The Manager is satisfied that the counterparties are of sufficient quality and diversity to minimise any individual counterparty credit risk. The majority of the Company's receivables arise from unsettled trades at year end which are settled two days after trade date. Engaging with counterparties via the Australian Securities Exchange facilitates the Company in both mitigating and managing its credit risk on an ongoing basis.

Credit risk is not considered to be a major risk to the Company as the majority of cash and term deposits held by the Company or in its portfolios are invested with major Australian banks and their 100% owned banking subsidiaries that have a Standard and Poor's short-term rating of A-1+ and long-term rating of AA-. The Company also holds cash with its custodian that has a Standard and Poor's short-term rating of A-1 and long-term rating of A. The majority of all maturities for cash and term deposits are within three months, there were no term deposits held at 30 June 2021.

None of the assets exposed to credit risk are overdue or considered to be impaired.

b) Liquidity risk

Liquidity risk represents the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's major cash payments are the purchase of securities and dividends paid to shareholders, the levels of which are managed respectively by the Manager and the Board.

The Company's cash receipts depend upon the level of sales of securities, dividends and interest received and the exercise of options or other capital management initiatives that may be implemented by the Board from time to time.

The Manager monitors the Company's cash flow requirements daily by reference to known sales and purchases of securities, dividends and interest to be paid or received. Should these decrease by a material amount the Company can alter its cash outflows as appropriate.

The Company also holds a portion of its portfolio in cash and term deposits sufficient to ensure that it has cash readily available to meet all payments. Furthermore, the assets of the Company are largely in the form of tradeable securities which, where liquidity is available, can be sold on market when, and if required.

The following table reflects an undiscounted contractual maturity analysis for the Company's liabilities. The timing of cash flows presented in the table to settle liabilities reflects the earliest possible contractual settlement date to the reporting date.

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16. Financial risk management (cont'd)

b) Liquidity risk (cont'd)

30 June 2021	>1 month $	<1 month $	Total $
Liabilities			
Trade and other payables	-	6,062,527	6,062,527
Total	**-**	**6,062,527**	**6,062,527**

30 June 2020	>1 month $	<1 month $	Total $
Liabilities			
Financial liabilities	-	66,533	66,533
Trade and other payables	-	1,816,513	1,816,513
Total	**-**	**1,883,046**	**1,883,046**

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and other market prices will affect the fair value or future cash flows of the Company's financial instruments.

By its nature, as a listed investment company that invests in tradable securities, the Company will always be subject to market risk as it invests in securities which are not risk free, as the market price of these securities can fluctuate.

(i) Interest rate risk

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing level of market interest rates on its financial position and cash flows. The Company however is not materially exposed to interest rate risk as it did not hold any term deposits at the end of period. As the Company's exposure to interest rate risk is not significant, interest rate sensitivities have not been performed.

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16. Financial risk management (cont'd)

c) Market risk (cont'd)

(i) Interest rate risk (cont'd)

At the end of the reporting period, the Company's exposure to interest rate risk and the effective weighted average interest rate was as follows:

30 June 2021	Weighted average interest rate (% pa)	Interest bearing $	Non-interest bearing $	Total $
Assets				
Cash and cash equivalents	0.23%	14,922,854	-	14,922,854
Trade and other receivables		-	2,327,516	2,327,516
Financial assets		-	63,459,801	63,459,801
Total		**14,922,854**	**65,787,317**	**80,710,171**
Liabilities				
Trade and other payables		-	6,062,527	6,062,527
Total		**-**	**6,062,527**	**6,062,527**

30 June 2020	Weighted average interest rate (% pa)	Interest bearing $	Non-interest bearing $	Total $
Assets				
Cash and cash equivalents	0.41%	7,495,336	-	7,495,336
Trade and other receivables		-	1,042,349	1,042,349
Financial assets		-	36,650,348	36,650,348
Total		**7,495,336**	**37,692,697**	**45,188,033**
Liabilities				
Financial liabilities		-	66,533	66,533
Trade and other payables		-	1,816,513	1,816,513
Total		**-**	**1,883,046**	**1,883,046**

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16. Financial risk management (cont'd)

c) Market risk (cont'd)

(ii) Other price risk

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the majority of the Company's investments are carried at fair value with fair value changes recognised in the Statement of comprehensive income, all changes in market conditions will directly affect net investment income. Due to the short-term nature of receivables and payables, the carrying amounts of these financial assets and financial liabilities approximate their fair values.

The Manager seeks to manage and reduce the other price risk of the Company by diversification of the investment portfolio across numerous stocks and multiple industry sectors. The risks and relative weightings of the individual securities and market sectors are reviewed daily in order to manage risk. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Company's industry sector weighting of gross assets as at 30 June 2021 is as below:

Industry sector	2021 %	2020 %
Financials	17.1	27.0
Consumer discretionary	15.1	14.8
Materials	14.1	4.4
Communication services	9.8	1.9
Industrials	9.1	4.5
Information technology	6.1	11.7
Real estate	3.8	3.9
Energy	3.3	0.5
Health care	3.3	8.7
Consumer staples	1.0	7.0
Total	**82.7**	**84.4**

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2021 are set out below:

Company name	2021 %
Keybridge Capital Limited	5.5

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16. Financial risk management (cont'd)

c) Market risk (cont'd)

(ii) Other price risk (cont'd)

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2020 are set out below:

Company name	2020 %
Australian United Investment Company Limited	6.5

Sensitivity analysis

For investments held by the Company at the end of the reporting period, a sensitivity analysis was performed relating to its exposure to market risk. This analysis demonstrates the effect on current year net assets after tax as a result of a reasonably possible change in the risk variable. The sensitivity assumes all other variables to remain constant.

Investments represent 82.7% (2020: 84.4%) of gross assets at year end. A 5% movement in the fair value of each of the investments within the portfolio would result in a 2.9% (2020: 2.8%) movement in the net assets after tax. This would result in the 30 June 2021 net asset backing after tax moving by 3.0 cents per share (2020: 2.7 cents per share).

d) Financial instruments measured at fair value

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for the asset or liability are not based on observable market data (unobservable inputs).

Included within Level 1 of the hierarchy are listed investments. The fair value of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs.

Included within Level 2 of the hierarchy are investments in initial public offerings and convertible notes which settle after 30 June 2021 and unlisted investments. The fair value of the convertible notes have been recognised using the effective interest rate method inherent in the instrument and the initial public offerings have been valued at cost. Valuation techniques such as comparisons to similar investments for which market observable prices are available, the net asset backing per share or the last sale price have been used to determine fair value for the unlisted investments.

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16. Financial risk management (cont'd)

d) Financial instruments measured at fair value (cont'd)

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 30 June 2021:

30 June 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets	60,315,685	3,144,116	-	63,459,801
Total	**60,315,685**	**3,144,116**	**-**	**63,459,801**

30 June 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets	36,497,018	153,330	-	36,650,348
Financial liabilities	(66,533)	-	-	(66,533)
Total	**36,430,485**	**153,330**	**-**	**36,583,815**

There was one transfer from Level 1 to Level 2 during the period as a result of the investment being in the process of being wound up (2020: one investment was transferred from Level 1 to Level 2 as a result of the investment becoming delisted during the year).

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

17. Investment transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 4,419 (2020: 5,188). Each contract note could involve multiple transactions. The total brokerage paid on these contract notes was $519,703 (2020: $489,505).

18. Segment reporting

The Company currently engages in investing activities, including cash, term deposits and equity investments. It has no reportable operating segments.

19. Capital commitments

There were no capital commitments for the Company as at 30 June 2021 (2020: In the prior year, the Company had a commitment of approximately $7.0 million in relation to its off-market takeover bid for Keybridge Capital Limited).

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20. Contingent liabilities

There were no contingent liabilities for the Company as at 30 June 2021. (2020: Keybridge Capital Limited (ASX: KBC) instituted proceedings in the Supreme Court of NSW against the Company on 1 June 2020. On 24 December 2020, the Court issued judgement in favour of WAM Active and ordered KBC pay WAM Active and ASIC's costs in relation to the proceedings. WAM Active was successful in both opposing the relief sought by KBC and obtaining the orders and declarations it had sought (by interlocutory process) in these proceedings. KBC has appealed the Supreme Court's decision in favour of WAM Active and the Company is currently waiting for the decision in relation to the appeal proceedings).

21. Key management personnel compensation

The names and position held of the Company's key management personnel (including Directors) in office at any time during the financial year are:

- Geoff Wilson AO — Chairman
- Kate Thorley — Director
- Karina Kwan — Director
- Emma Rugge-Price — Director

a) Remuneration

There are no executives that are paid by the Company. Individual Directors' remuneration disclosures are provided in the Remuneration Report of the Directors' Report on page 22, as required by Corporations Regulations 2M.3.03 and 2M.6.04.

	Short-term employee benefits Directors' fees $	Post-employment benefits Superannuation $	Total $
Total Directors remuneration paid by the Company for the year ended 30 June 2021	73,058	6,942	**80,000**
Total Directors remuneration paid by the Company for the year ended 30 June 2020	73,058	6,942	**80,000**

b) Share and option holdings

At 30 June 2021, the Company's key management personnel and their related parties held the following interests in the Company:

Ordinary shares held Directors	Balance at 30 June 2020	Acquisitions	Disposed	Balance at 30 June 2021
Geoff Wilson	1,240,303	27,777	-	1,268,080
Kate Thorley	66,809	20,375	-	87,184
Karina Kwan	-	-	-	-
Emma Rugge-Price	-	-	-	-
	1,307,112	**48,152**	**-**	**1,355,264**

21. Key management personnel compensation (cont'd)

b) Share and option holdings (cont'd)

Options held Directors	Balance at 30 June 2020	Bonus issue allotment/Acquisitions	Options exercised/disposed	Balance at 30 June 2021
Geoff Wilson	-	1,268,080	-	1,268,080
Kate Thorley	-	87,184	-	87,184
Karina Kwan	-	-	-	-
Emma Rugge-Price	-	-	-	-
	-	**1,355,264**	**-**	**1,355,264**

At 30 June 2020, the Company's key management personnel and their related parties held the following interests in the Company:

Ordinary shares held Directors	Balance at 30 June 2019	Acquisitions	Disposed	Balance at 30 June 2020
Geoff Wilson	1,113,892	126,411	-	1,240,303
Kate Thorley	62,953	3,856	-	66,809
Karina Kwan	-	-	-	-
Emma Rugge-Price	-	-	-	-
	1,176,845	**130,267**	**-**	**1,307,112**

Directors and Director related entities disposed of and acquired ordinary shares and options in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

22. Related party transactions

All transactions with related parties during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with MAM Pty Limited. Geoff Wilson is the Director of MAM Pty Limited, the entity appointed to manage the investment portfolio of WAM Active, part of the Wilson Asset Management Group. Entities associated with Geoff Wilson hold 100% of the issued shares of MAM Pty Limited. In its capacity as the Manager, and in accordance with the investment management agreement, MAM Pty Limited was paid a management fee of 1% p.a. (plus GST) of the value of the portfolio amounting to $622,840 inclusive of GST (2020: $516,955). At 30 June 2021, the balance payable to the Manager was $70,232 inclusive of GST (2020: $39,825).

In addition, MAM Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of the increase in the gross value of the portfolio above the high-water mark.

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22. Related party transactions (cont'd)

The high-water mark is the greater of:

- the highest gross value of the portfolio as at the last day of the last performance period for which a performance fee was last paid or payable; and
- the gross proceeds raised from the issue of shares pursuant to the original prospectus.

If the gross value of the portfolio falls below a previous high-water mark then no further performance fees can be accrued or paid until the loss has been fully recovered.

The performance fee for FY2021 was subject to the high-water mark, which was recovered in full during the period. As at 30 June 2021, a performance fee of $1,945,033 inclusive of GST was payable to the Manager (2020: nil).

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Active to provide accounting and Company Secretarial services on commercial terms. For the year ended 30 June 2021, the fee for accounting services amounted to $46,200 inclusive of GST (2020: $46,200) and the fee for Company Secretarial services amounted to $16,500 inclusive of GST (2020: $16,500). Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company of the Director or with a firm of which he/she is a member or with a Company in which he/she has substantial financial interest.

23. Events subsequent to reporting date

Since the end of the year, the Directors declared a fully franked final dividend of 3.0 cents per share to be paid on 29 October 2021.

No other matter or circumstance has arisen since the end of the financial year, other than already disclosed, which significantly affects or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

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Directors' Declaration

The Directors of WAM Active Limited declare that:

1) The financial statements as set out in pages 29 to 54 and the additional disclosures included in the Directors' Report designated as "Remuneration Report", as set out on pages 21 to 24, are in accordance with the *Corporations Act 2001*, including:

   a) complying with Australian Accounting Standards, which, as stated in Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   b) giving a true and fair view of the financial position of the Company as at 30 June 2021 and of its performance, as represented by the results of the operations and the cash flows, for the year ended on that date; and

2) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer of the Manager, MAM Pty Limited declaring that:

   a) the financial records of the Company for the financial year have been properly maintained in accordance with the Section 286 of the *Corporations Act 2001*;

   b) the Company's financial statements and notes for the financial year comply with the Accounting Standards; and

   c) the Company's financial statements and notes for the financial year give a true and fair view.

3) At the date of this declaration, in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



Geoff Wilson AO
Chairman

Dated this 25th day of August 2021

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Independent Auditor's Report
To the Members of WAM Active Limited
ABN 49 126 420 719

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of WAM Active Limited ("the Company"), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of WAM Active Limited is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards) (*"the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be on the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	***How our audit addressed the matter***
Existence and Valuation of Financial Assets ***Refer to Note 7: Financial Assets***	
We focused our audit effort on the existence and valuation of the Company's financial assets as they represent the most significant driver of the Company's Net Tangible Assets and Profit. The majority of the Company's investments are considered to be non-complex in nature with fair value based on readily observable data from the ASX or other observable markets. Consequently, these investments are classified under Australian Accounting Standards as either "Level 1" (i.e. where the valuation is based on quoted prices in active markets) or "Level 2" (i.e. where key inputs to valuation are based on other observable inputs).	Our procedures included, amongst others: ▪ Obtaining an understanding of and evaluating the investment management processes and controls; ▪ Reviewing and evaluating the independent auditor's reports on the design and operating effectiveness of internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodians; ▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the auditor's reports relate to and obtaining a bridging letters; ▪ Obtaining confirmation of the investment holdings directly from the Custodian; ▪ Assessing and recalculating the Company's valuation of individual investment holdings using independent observable pricing sources and inputs; ▪ Evaluating the accounting treatment of revaluations of financial assets for current/deferred tax and unrealised gains or losses; and ▪ Assessing the adequacy of disclosures in the financial statements.

Key audit matter	*How our audit addressed the matter*
Accuracy and Existence of Management and Performance Fees ***Refer to Note 9: Trade and other payables and Note 22: Related party transactions***	
We focused our audit effort on the accuracy and existence of management and performance fees as they are significant expenses of the Company and their calculation requires adjustments and key inputs. Adjustments include company dividends, tax payments, capital raisings, capital reductions and other relevant expenses. Key inputs include the value of the portfolio and application of the correct fee percentage in accordance with the Investment Management Agreement between the Company and the Investment Manager. In addition, to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favourable than if they had been with an independent third-party.	Our procedures included, amongst others: ▪ Obtaining an understanding of and evaluating the processes and controls for calculating the management and performance fees; ▪ Making enquiries with the Investment Manager and those charged with governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements and Board meeting minutes; ▪ Testing of adjustments such as company dividends, tax payments, capital raisings, capital reductions as well as any other relevant expenses used in the calculation of management and performance fees; ▪ Testing of key inputs including the value of the portfolio and application of the correct fee percentage in accordance with our understanding of the Investment Management Agreement; and ▪ Assessing the adequacy of disclosures made in the financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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Auditor's Responsibilities for the Audit of the Financial Report (Continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 24 of the Directors' Report for the year ended 30 June 2021. In our opinion, the Remuneration Report of WAM Active Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

S M Whiddett
Partner

Pitcher Partners
Sydney

25 August 2021

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Investments at fair value as at 30 June 2021

Company Name	Code	Fair Value $	% of Gross Assets
Financials			
Keybridge Capital Limited	KBC	4,257,746	5.5%
Virgin Money UK PLC	VUK	3,610,220	4.7%
Genworth Mortgage Insurance Australia Limited	GMA	1,622,738	2.1%
Steadfast Group Limited	SDF	1,107,352	1.4%
Netwealth Group Limited	NWL	846,678	1.1%
MyState Limited	MYS	766,036	1.0%
Perpetual Limited	PPT	397,216	0.6%
IOOF Holdings Limited	IFL	363,667	0.5%
HHY Fund	HHY	77,032	0.1%
Ask Funding Limited*	n/a	36,099	0.1%
DMX Corporation Limited^	n/a	10,775	0.0%
8IP Emerging Companies Limited	8EC	1,808	0.0%
		13,097,367	**17.1%**
Consumer discretionary			
Corporate Travel Management Limited	CTD	1,574,723	2.1%
Breville Group Limited	BRG	1,568,062	2.0%
The Star Entertainment Group Limited	SGR	1,553,579	2.0%
Premier Investments Limited	PMV	1,498,675	2.0%
Domino's Pizza Enterprises Limited	DMP	1,294,398	1.7%
Temple & Webster Group Limited	TPW	1,018,964	1.3%
Aristocrat Leisure Limited	ALL	1,012,098	1.3%
Collins Foods Limited	CKF	924,895	1.2%
Atomos Limited	AMS	557,673	0.7%
BetMakers Technology Group Limited	BET	369,501	0.5%
BlueBet Holdings Limited^	BBT	236,415	0.3%
Nick Scali Limited	NCK	18,998	0.0%
		11,627,981	**15.1%**
Materials			
Pact Group Holdings Limited	PGH	3,228,047	4.2%
Adbri Limited	ABC	1,925,961	2.5%
Brickworks Limited	BKW	1,338,287	1.8%
Champion Iron Limited	CIA	1,177,505	1.5%
Nufarm Limited	NUF	1,149,974	1.5%
IGO Limited	IGO	1,143,111	1.5%
Deterra Royalties Limited	DRR	867,906	1.1%
		10,830,791	**14.1%**
Communication services			
News Corporation	NWS	2,529,899	3.3%
Seven West Media Limited	SWM	1,756,932	2.3%
carsales.com Limited	CAR	1,593,762	2.1%
Uniti Group Limited	UWL	889,652	1.1%
oOh!media Limited	OML	791,821	1.0%
		7,562,066	**9.8%**

Company Name	Code	Fair Value $	% of Gross Assets
Industrials			
Downer EDI Limited	DOW	1,909,550	2.5%
ALS Limited	ALQ	1,790,913	2.3%
Reliance Worldwide Corporation	RWC	1,506,706	2.0%
CIMIC Group Limited	CIM	1,472,740	1.9%
GWA Group Limited	GWA	293,509	0.4%
		6,973,418	**9.1%**
Information technology			
Data#3 Limited	DTL	1,904,763	2.5%
Life360 Inc	360	1,279,514	1.7%
Tyro Payments Limited	TYR	1,111,515	1.4%
Iris Energy Pty Limited^	n/a	207,100	0.3%
Xpansiv CBL Holding Group Limited^	n/a	137,202	0.2%
		4,640,094	**6.1%**
Real estate			
PEXA Group Limited^	PXA	2,437,685	3.2%
Ingenia Communities Group	INA	402,944	0.5%
Sunland Group Limited	SDG	93,712	0.1%
		2,934,341	**3.8%**
Energy			
Karoon Energy Limited	KAR	1,219,208	1.6%
Oil Search Limited	OSH	926,009	1.2%
Paladin Energy Limited	PDN	403,307	0.5%
		2,548,524	**3.3%**
Health care			
Capitol Health Limited	CAJ	1,688,655	2.2%
Mayne Pharma Group Limited	MYX	455,548	0.6%
Nanosonics Limited	NAN	360,436	0.5%
		2,504,639	**3.3%**
Consumer staples			
Elders Limited	ELD	382,086	0.5%
The a2 Milk Company Limited	A2M	358,494	0.5%
		740,580	**1.0%**
Total long portfolio		**63,459,801**	**82.7%**
Total cash, income receivable and net outstanding settlements		**13,319,801**	**17.3%**
Total short portfolio		**-**	**-**
Gross assets		**76,779,602**	

^Unlisted investment.
^ Unlisted convertible note.
The total number of stocks held at the end of the financial year was 57.

ASX additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Shareholdings

Substantial shareholders (at 31 July 2021) - there are currently no substantial shareholders.

On-market buy back (at 31 July 2021) - there is no current on-market buy back.

Distribution of shareholders (as at 31 July 2021)

Category	Number of shareholders	Percentage of issued capital held	Number of option holders	Percentage of options held
1 – 1,000	238	0.2%	152	0.2%
1,001 – 5,000	500	2.1%	393	1.8%
5,001 – 10,000	443	4.9%	316	3.7%
10,001 – 100,000	1,351	63.9%	1,007	50.8%
100,001 and over	108	28.9%	119	43.5%
	2,640	**100.0%**	**1,987**	**100.0%**

The number of shareholdings held in less than marketable parcels is 82.

Twenty largest shareholders – Ordinary shares (as at 31 July 2021)

Name	Number of ordinary shares held	% of issued capital held
Entities associated with Mr Geoff Wilson	1,268,080	1.7%
HSBC Custody Nominees (Australia) Limited	827,056	1.1%
Mr PM & Mrs VM Antaw	714,777	1.0%
Netwealth Investments Limited	631,779	0.9%
I & R Simpson Super Pty Limited	476,277	0.7%
Edington Pty Limited	461,000	0.6%
Ichiban Superannuation Pty Limited	400,000	0.5%
Vohra Holdings Pty Limited	377,777	0.5%
Mrs S Meats	371,014	0.5%
Mr R Miller	350,000	0.5%
Romeomike Enterprises Pty Limited	350,000	0.5%
Frank Sauer & Sons Holdings Pty Limited	326,071	0.4%
B W Rofe Pty Limited	300,000	0.4%
Beveles Investments & Services Pty Limited	277,777	0.4%
Bradstock Pty Limited	265,000	0.4%
Mrs EC Robertson	260,462	0.4%
Distad Pty Limited	255,000	0.3%
Trans Pacific Investments Pty Limited	250,856	0.3%
Alpan Pty Limited	250,000	0.3%
Betty Amsden Nominees Pty Limited	243,011	0.3%
	8,655,937	**11.7%**

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Twenty largest option holders – Options (as at 31 July 2021)

Name	Number of options held	% of options held
Klip Pty Limited	1,548,536	2.3%
Entities associated with Mr Geoff Wilson	1,268,080	1.9%
Mr JP Barratt & Ms AL Shelley	1,275,614	1.9%
Mr DE Igglesden & Mrs SJ Igglesden	1,100,000	1.6%
Smart Alpha Investments Pty Limited	1,000,000	1.5%
Certane CT Pty Limited	849,270	1.3%
HSBC Custody Nominees (Australia) Limited	733,132	1.1%
I & R Simpson Super Pty Limited	695,534	1.0%
Stewart Investments WA Pty Limited	665,034	1.0%
Mr PM & Mrs VM Antaw	627,659	0.9%
Mr SL Blow	576,794	0.9%
S & J Hines Pty Limited	500,000	0.7%
Mr MD Wenn	500,000	0.7%
Netwealth Investments Limited	471,777	0.7%
Edington Pty Limited	461,000	0.7%
Vohra Holdings Pty Limited	377,777	0.6%
Mrs S Meats	371,014	0.6%
Mr TL Koay & Mrs GK Koay	336,000	0.5%
Frank Sauer & Sons Holdings Pty Limited	326,071	0.5%
SKM Super Pty Limited	310,071	0.5%
	13,993,363	**20.9%**

Stock Exchange Listing

Quotation has been granted for all of the ordinary shares and options of the Company on all Member Exchanges of the ASX Limited.

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