

# WAM ACTIVE LIMITED

ABN 49 126 420 719

## Appendix 4D Half Year Report

for the half year ended 31 December 2021

### Results for Announcement to the Market

All comparisons to the half year ended 31 December 2020

	\$	up/down	% mvmt
Revenue from ordinary activities	1,515,122	down	80.8%
Profit from ordinary activities before income tax expense	567,754	down	90.4%
Net profit from ordinary activities after income tax expense	497,896	down	88.3%

Dividend information	Cents per share	Franked amount per share	Tax rate for franking
2022 Interim dividend cents per share	3.0c	3.0c	30%
2021 Final dividend cents per share	3.0c	3.0c	30%

### Interim dividend dates

Ex dividend date	16 May 2022
Record date	17 May 2022
Last election date for the DRP	19 May 2022
Payment date	27 May 2022

### Dividend Reinvestment Plan

The Dividend Reinvestment Plan ("DRP") is in operation and the recommended fully franked interim 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 at a 2.5% discount to the price, calculated as the VWAP (volume weighted average market price) of shares sold on the ASX over the four trading days commencing on the ex-dividend date for the relevant dividend.

	31 Dec 21	31 Dec 20
Net tangible asset backing (after tax) per share	\$1.02	\$1.03

This report is based on the Half Year Financial Report which has been subject to independent review by the Auditors, Pitcher Partners. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 30 June 2021 Annual Financial Report.

W | A | M *Active*

# Financial Report

For the half year ended 31 December 2021

**W** Wilson  
Asset Management

OVER **20** YEARS Making a  
difference

ABN 49 126 420 719

## 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.

### Directors

Geoff Wilson AO (Chairman)  
Kate Thorley  
Karina Kwan  
Simon Poidevin AM

### 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)

### Auditor

Pitcher Partners

### 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  
T: (02) 9247 6755  
F: (02) 9247 6855  
E: [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au)  
W: [wilsonassetmanagement.com.au](http://wilsonassetmanagement.com.au)

### 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

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## Directors' Report to shareholders for the half year ended 31 December 2021

The Directors present their report together with the financial report of WAM Active Limited for the half year ended 31 December 2021.

### Directors

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

Geoff Wilson AO (Chairman – Non-independent)

Kate Thorley (Director – Non-independent)

Karina Kwan (Director – Independent)

Simon Poidevin AM (Director – Independent) (appointed 7 December 2021)

Emma Rugge-Price (Director – Independent) (resigned 7 December 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 period or is likely to in the future.

### Operating and financial review

Investment operations during the half year resulted in an operating profit before tax of \$567,754 (2020: \$5,902,209) and an operating profit after tax of \$497,896 (2020: \$4,258,448). The profit for the period is reflective of the performance of the investment portfolio over the six months to 31 December 2021. The investment portfolio increased 2.0% in the six months to 31 December 2021, while being on average 88.2% invested in equities.

WAM Active employs Wilson Asset Management's market-driven investment process, which is focused on delivering absolute returns in all market cycles. The Bloomberg AusBond Bank Bill Index, representing the return on cash, was flat and the S&P/ASX All Ordinaries Accumulation Index rose 4.6% in the six months to 31 December 2021.

The operating profit for the period includes unrealised gains or losses arising from changes in the fair value of the investments held in the investment 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. This treatment under the Accounting Standards can cause large variations in reported operating profits between periods.

The operating profit or loss 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.

WAM Active's pre-tax NTA increased 0.4% in the six months to 31 December 2021, including the 3.0 cents per share fully franked final dividend paid to shareholders during the period. This increase is after

corporate tax paid of 0.3 cents per share or 0.3% of the Company's pre-tax NTA during the period. The 0.5% in other company related expenses, together with the management fees of 0.5%, were the major items of difference between the investment portfolio performance of 2.0% and the NTA performance. 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 period were the performance fee accrued of 0.2% and legal and professional fees associated with corporate takeover activities of 0.1%.

The NTA before tax as at 31 December 2021 amounted to \$0.99 per share (June 2021: \$1.02). The NTA after tax was \$1.02 per share (June 2021: \$1.04). These figures are after the 3.0 cents per share fully franked final dividend paid to shareholders during the period.

The total shareholder return for the Company for the period to 31 December 2021 was 4.7%. This was reflective of WAM Active's investment portfolio performance and the increase in the share price premium to NTA during the period. As at 31 December 2021, WAM Active's share price premium to NTA was 12.2% (June 2021: 7.5%). This measure does not value the potential benefit of franking credits distributed to shareholders through fully franked dividends.

A fully franked final dividend of 3.0 cents per share was paid during the period and a fully franked interim dividend of 3.0 cents per share has been declared by the Board and will be paid on 27 May 2022.

On 24 February 2021, the Board of Directors announced its intention to grow WAM Active to the benefit of all shareholders through a one-for-one Bonus Option Issue. A total of 70,066,409 options were allotted 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 incurring any 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 Australian Securities Exchange under the code WAOA.

Shareholders who exercise their options by 12 May 2022 will be eligible to receive the fully franked interim dividend of 3.0 cents per share. As at 31 December 2021, a total of 2,842,215 options has been exercised for a total consideration of \$3,126,435, with the remaining balance of outstanding options being 67,224,194.

### Keybridge Capital update

WAM Active's unconditional off-market takeover bid to acquire all of the fully paid ordinary shares in listed investment company 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.

In September 2021, WAM Active was also successful in opposing the appeal lodged by KBC which sought to overturn the Supreme Court's decision in the proceedings KBC commenced in 2020, and KBC was ordered to pay WAM Active and ASIC's costs of both the appeal and the original proceedings.

In February 2022, KBC announced its proposed intention to make an off-market takeover bid for WAM Active (Proposed Bid). The Proposed Bid is considered disingenuous by the Company's Board of

Directors and significantly disadvantages WAM Active shareholders. The Directors have advised WAM Active shareholders that they should take no action when receiving documents from KBC and shareholders should ignore the Proposed Bid. WAM Active's Board will continue to focus on the company's strategic goals and delivering on its investment objectives.

WAM Active also received a purported notice of meeting (Keybridge Notice) from KBC dated 14 February 2022. The Keybridge Notice seeks to call a general meeting of WAM Active shareholders on 17 March 2022 (Meeting) under section 249F of the *Corporations Act 2001*(Cth). To summarise its material terms, the Keybridge Notice proposes to elect six new directors and, on the information available, none of them possess the appropriate qualifications or experience to act as directors of an ASX listed entity.

The WAM Active Directors had serious concerns that the Keybridge Notice was defective in several material respects and WAM Active has remedied those it could, in the interest of good corporate governance, through the announcement of the official Notice of General Meeting (Change of Venue – Online Attendance) and valid proxy form for the meeting. The official Notice of Meeting provides online attendance, valid proxy forms, and online voting facilities supporting shareholder participation for WAM Active shareholders.

The WAM Active Directors have requested that shareholders ignore the defective Keybridge Notice sent to them by post, and vote on the resolutions using the Official Proxy Form provided by the Company or using the online voting facility.

The WAM Active Board does not support any of the resolutions put forward by KBC and each of them will be voting all shares under their control against all resolutions at the Meeting.

As KBC is responsible for all meeting expenses, all associated costs will be invoiced to KBC and will not be incurred by WAM Active.

#### **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.

#### **Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half year is set out on page 7 of this Financial Report.

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



**Geoff Wilson AO**  
**Chairman**

Dated this 22<sup>nd</sup> day of February 2022

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Sydney NSW 2000

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GPO Box 1615  
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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 auditor's review of WAM Active Limited for the half year ended 31 December 2021, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor 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

22 February 2022

## Statement of comprehensive income for the half year ended 31 December 2021

	Note	December 2021 \$	December 2020 \$
Net realised and unrealised gains on financial investments		976,894	7,352,330
Other revenue from operating activities	2	538,228	545,389
Management fees		(389,602)	(236,624)
Performance fees		(164,151)	(1,149,009)
Directors fees		(40,103)	(40,000)
Brokerage expense on share purchases		(154,146)	(96,293)
Custody fees		(2,853)	(1,746)
Expenses paid on borrowed stock		-	(431)
ASX listing and CHESS fees		(34,935)	(27,345)
Share registry fees		(34,188)	(22,053)
Disbursements, mailing and printing		(12,743)	(9,399)
ASIC industry funding levy		(3,234)	(3,059)
Legal and professional fees		(27,876)	(320,007)
Other expenses from ordinary activities		(83,537)	(89,544)
<b>Profit before income tax</b>		<b>567,754</b>	<b>5,902,209</b>
Income tax expense		(69,858)	(1,643,761)
<b>Profit after income tax attributable to members of the Company</b>	6	<b>497,896</b>	<b>4,258,448</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period</b>		<b>497,896</b>	<b>4,258,448</b>
<b>Basic and diluted earnings per share</b>		<b>0.68 cents</b>	<b>9.12 cents</b>

The accompanying notes form part of these financial statements.

## Statement of financial position as at 31 December 2021

	Note	December 2021 \$	June 2021 \$
<b>Current assets</b>			
Cash and cash equivalents		11,485,358	14,922,854
Trade and other receivables		297,452	2,327,516
Financial assets	7	62,357,008	63,459,801
Current tax assets		70,164	-
<b>Total current assets</b>		<b>74,209,982</b>	<b>80,710,171</b>
<b>Non-current assets</b>			
Deferred tax assets		1,980,854	2,035,854
<b>Total non-current assets</b>		<b>1,980,854</b>	<b>2,035,854</b>
<b>Total assets</b>		<b>76,190,836</b>	<b>82,746,025</b>
<b>Current liabilities</b>			
Trade and other payables		837,387	6,062,527
Current tax liabilities		-	139,426
<b>Total current liabilities</b>		<b>837,387</b>	<b>6,201,953</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		-	8,447
<b>Total non-current liabilities</b>		<b>-</b>	<b>8,447</b>
<b>Total liabilities</b>		<b>837,387</b>	<b>6,210,400</b>
<b>Net assets</b>		<b>75,353,449</b>	<b>76,535,625</b>
<b>Equity</b>			
Issued capital	4	77,321,331	76,802,356
Profits reserve	5	5,756,879	5,917,114
Accumulated losses	6	(7,724,761)	(6,183,845)
<b>Total equity</b>		<b>75,353,449</b>	<b>76,535,625</b>

The accompanying notes form part of these financial statements.

## Statement of changes in equity for the half year ended 31 December 2021

	Note	Issued capital \$	Accumulated losses \$	Profits reserve \$	Total equity \$
<b>Balance at 1 July 2020</b>		<b>48,188,359</b>	<b>(5,704,811)</b>	<b>2,744,070</b>	<b>45,227,618</b>
Profit for the half year		-	4,258,448	-	4,258,448
Transfer to profits reserve		-	(4,258,448)	4,258,448	-
Other comprehensive income for the half year		-	-	-	-
<b>Transactions with owners:</b>					
Shares issued via dividend reinvestment plan	4(b)	200,571	-	-	200,571
Dividends paid	3(a)	-	-	(1,398,608)	(1,398,608)
<b>Balance at 31 December 2020</b>		<b>48,388,930</b>	<b>(5,704,811)</b>	<b>5,603,910</b>	<b>48,288,029</b>
<b>Balance at 1 July 2021</b>		<b>76,802,356</b>	<b>(6,183,845)</b>	<b>5,917,114</b>	<b>76,535,625</b>
Profit for the half year		-	497,896	-	497,896
Transfer to profits reserve	5	-	(2,038,812)	2,038,812	-
Other comprehensive income for the half year		-	-	-	-
<b>Transactions with owners:</b>					
Shares issued via dividend reinvestment plan	4(b)	317,647	-	-	317,647
Shares issued via exercise of options	4(b)	201,328	-	-	201,328
Dividends paid	3(a)	-	-	(2,199,047)	(2,199,047)
<b>Balance at 31 December 2021</b>		<b>77,321,331</b>	<b>(7,724,761)</b>	<b>5,756,879</b>	<b>75,353,449</b>

The accompanying notes form part of these financial statements.

## Statement of cash flows for the half year ended 31 December 2021

	December 2021 \$	December 2020 \$
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	124,084,438	76,858,434
Payments for purchase of investments	(123,501,411)	(78,177,444)
Dividends received	545,486	376,225
Other investment income received	1,751	190,144
Interest received	27,560	5,643
Management fees (GST inclusive)	(420,913)	(249,447)
Performance fees (GST inclusive)	(1,945,033)	-
Brokerage expense on share purchases (GST inclusive)	(165,176)	(103,066)
Payments for administration expenses (GST inclusive)	(328,218)	(568,549)
Income tax paid	(232,895)	(911,808)
GST on brokerage expense on share sales	(12,030)	(6,649)
Net GST received from the ATO	189,017	34,734
<b>Net cash used in operating activities</b>	<b>(1,757,424)</b>	<b>(2,551,783)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares via exercise of options	201,328	-
Dividends paid – net of reinvestment	(1,881,400)	(1,198,037)
<b>Net cash used in financing activities</b>	<b>(1,680,072)</b>	<b>(1,198,037)</b>
<b>Net decrease in cash and cash equivalents held</b>	<b>(3,437,496)</b>	<b>(3,749,820)</b>
Cash and cash equivalents at the beginning of the half year	14,922,854	7,495,336
<b>Cash and cash equivalents at end of the half year</b>	<b>11,485,358</b>	<b>3,745,516</b>
<b>Non-cash transactions:</b>		
Shares issued via dividend reinvestment plan	317,647	200,571

The accompanying notes form part of these financial statements.

# Notes to the financial statements for the half year ended 31 December 2021

## 1. Summary of significant accounting policies

These interim financial statements and notes for the half year represent those of WAM Active Limited.

The half year financial report was authorised for issue on 22 February 2022 by the Board of Directors.

### Basis of preparation

The half year financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

The half year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that the half year financial report be read in conjunction with the Annual Financial Report for the year ended 30 June 2021 and any public announcements made by the Company during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

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 that have been measured at fair value.

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

The accounting policies have been consistently applied by the Company throughout the period and are consistent with those applied in the 30 June 2021 Annual Financial Report.

## 2. Other revenue

	December 2021 \$	December 2020 \$
Australian sourced dividends	485,579	351,612
Interest	40,282	6,215
Foreign sourced dividends	10,616	5,074
Underwriting fees	1,751	7,657
Trust distributions	-	160,691
Other income	-	14,140
	<b>538,228</b>	<b>545,389</b>

### 3. Dividends

#### a) Ordinary dividends paid during the period

	December 2021 \$	December 2020 \$
Final Dividend FY2021: 3.0 cents per share fully franked at 30% tax rate paid 29 October 2021 (Final dividend FY2020: 3.0 cents per share fully franked)	<b>2,199,047</b>	<b>1,398,608</b>

#### b) Dividends not recognised at period end

	December 2021 \$	December 2020 \$
Since the end of the period, the Directors have declared a fully franked interim dividend of 3.0 cents per share, payable on 27 May 2022 (Interim dividend FY2021: 3.0 cents per share fully franked)	<b>2,209,752</b>	<b>2,177,987</b>

### 4. Issued capital

#### a) Paid-up capital

	December 2021 \$	June 2021 \$
73,658,389 ordinary shares fully paid (June 2021: 73,173,266)	<b>77,321,331</b>	<b>76,802,356</b>

#### b) Ordinary shares

	December 2021 \$	June 2021 \$
Balance at the beginning of the period		
73,173,266 ordinary shares fully paid (June 2020: 46,620,288)	76,802,356	48,188,359
302,097 ordinary shares issued on 29 October 2021 under a dividend reinvestment plan	317,647	-
183,026 ordinary shares issued from the exercise of options at \$1.10 per option	201,328	-
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)
At reporting date	<b>77,321,331</b>	<b>76,802,356</b>

**c) Options**

On 24 February 2021, the Board of Directors announced its intention to grow WAM Active to the benefit of all shareholders through a one-for-one Bonus Option Issue. A total of 70,066,409 options were allotted 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 incurring any 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 Australian Securities Exchange under the code WAAOA.

Shareholders who exercise their options by 12 May 2022 will be eligible to receive the fully franked interim dividend of 3.0 cents per share. As at 31 December 2021, a total of 2,842,215 options has been exercised for a total consideration of \$3,126,435, with the remaining balance of outstanding options being 67,224,194.

**5. Profits reserve**

	December 2021 \$	June 2021 \$
Profits reserve	<b>5,756,879</b>	<b>5,917,114</b>

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

	December 2021 \$	June 2021 \$
<b>Movement in profits reserve</b>		
Balance at the beginning of the period	5,917,114	2,744,070
Transfer of profits during the period	2,038,812	6,749,640
Final dividend paid (refer to note 3(a))	(2,199,047)	(1,398,609)
Interim dividend paid (refer to note 3(b))	-	(2,177,987)
At reporting date	<b>5,756,879</b>	<b>5,917,114</b>

**6. Accumulated losses**

	December 2021 \$	June 2021 \$
Balance at the beginning of the period	(6,183,845)	(5,704,811)
Transfer to profits reserve	(2,038,812)	(6,749,640)
Profit for the period attributable to members of the Company	497,896	6,270,606
At reporting date	<b>(7,724,761)</b>	<b>(6,183,845)</b>

## 7. 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 values 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 convertible notes and unlisted investments. The fair value of the convertible notes have been recognised using the effective interest rate method inherent in the instrument. 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.

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.

During the period, WAM Active's investment in Iris Energy Limited's convertible note was converted into ordinary shares following its initial public offering on the NASDAQ stock exchange. As a result, the investment was transferred from Level 2 to Level 1 (June 2021: one investment was transferred from Level 1 to Level 2 as a result of the investment being in the process of being wound up).

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 31 December 2021:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2021				
Financial assets	61,170,304	1,186,704	-	62,357,008
<b>Total</b>	<b>61,170,304</b>	<b>1,186,704</b>	<b>-</b>	<b>62,357,008</b>
30 June 2021				
Financial assets	60,315,685	3,144,116	-	63,459,801
<b>Total</b>	<b>60,315,685</b>	<b>3,144,116</b>	<b>-</b>	<b>63,459,801</b>

## 8. Segment reporting

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

## 9. Capital commitments

There were no capital commitments for the Company as at 31 December 2021 (June 2021: nil).

## 10. Contingent liabilities

There were no contingent liabilities for the Company as at 31 December 2021 (June 2021: nil).

## 11. Events subsequent to reporting date

Since the end of the period, the Directors declared a fully franked interim dividend of 3.0 cents per share to be paid on 27 May 2022.

In February 2022, Keybridge Capital Limited (ASX: KBC) announced its proposed intention to make an off-market takeover bid for WAM Active (Proposed Bid). The Proposed Bid is considered disingenuous by the Company's Board of Directors and significantly disadvantages WAM Active shareholders. The Directors have advised WAM Active shareholders that they should take no action when receiving documents from KBC and shareholders should ignore the Proposed Bid. WAM Active's Board will continue to focus on the company's strategic goals and delivering on its investment objectives.

WAM Active also received a purported notice of meeting (Keybridge Notice) from KBC dated 14 February 2022. The Keybridge Notice seeks to call a general meeting of WAM Active shareholders on 17 March 2022 (Meeting) under section 249F of the *Corporations Act 2001* (Cth). To summarise its material terms, the Keybridge Notice proposes to elect six new directors and, on the information available, none of them possess the appropriate qualifications or experience to act as directors of an ASX listed entity.

The WAM Active Directors had serious concerns that the Keybridge Notice was defective in several material respects and WAM Active has remedied those it could, in the interest of good corporate governance, through the announcement of the official Notice of General Meeting (Change of Venue – Online Attendance) and valid proxy form for the meeting. The official Notice of Meeting provides online attendance, valid proxy forms, and online voting facilities supporting shareholder participation for WAM Active shareholders.

The WAM Active Directors have requested that shareholders ignore the defective Keybridge Notice sent to them by post, and vote on the resolutions using the Official Proxy Form provided by the Company or using the online voting facility.

The WAM Active Board does not support any of the resolutions put forward by KBC and each of them will be voting all shares under their control against all resolutions at the Meeting.

As KBC is responsible for all meeting expenses, all associated costs will be invoiced to KBC and will not be incurred by WAM Active.

No other matter or circumstance has arisen since the end of the period, other than already disclosed, which significantly affect 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 periods.

## Directors' Declaration

The Directors of WAM Active Limited declare that:

- 1) The financial statements and notes, as set out on pages 8 to 16, are in accordance with the *Corporations Act 2001*, including:
  - a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*, 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 31 December 2021 and of its performance, as represented by the results of the operations and the cash flows, for the half year ended on that date.
- 2) 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 22<sup>nd</sup> day of February 2022

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

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of WAM Active Limited ("the Company") which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of WAM Active Limited does not comply with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual 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 in the same terms if given to the directors as at the time of this auditor's review report.

**Responsibility of the Directors for the Financial Report**

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

### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Scott Whiddett**  
Partner



**Pitcher Partners**  
Sydney

22 February 2022

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