

WAM ACTIVE LIMITED

ABN 49 126 420 719

Appendix 4E Preliminary Final Report for the year ended 30 June 2023

Results for Announcement to the Market

All comparisons to the year ended 30 June 2022

	\$	up/down	% mvmt
Revenue from ordinary activities	9,265,333	up	159.2%
Profit from ordinary activities before income tax expense	7,897,960	up	145.5%
Net profit from ordinary activities after income tax expense	5,754,532	up	148.1%

Dividend information	Cents per share	Franked amount per share	Tax rate for franking
2023 Final dividend cents per share	3.0c	3.0c	30%
2023 Interim dividend cents per share	3.0c	3.0c	30%

Final dividend dates

Ex dividend date	3 October 2023
Record date	4 October 2023
Last election date for the DRP	6 October 2023
Payment date	16 October 2023

Dividend Reinvestment Plan

The Dividend Reinvestment Plan ("DRP") is in operation and the recommended final fully franked 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 volume weighted average market price (VWAP) of shares sold on the ASX over the four trading days commencing on the ex-dividend date for the relevant dividend. The DRP will operate without a discount for the final dividend.

	30 Jun 23	30 Jun 22
Net tangible asset backing (before tax) per share	\$0.74	\$0.72
Net tangible asset backing (after tax) per share	\$0.84	\$0.82

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.

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2023

Annual Report

Wilson
Asset Management
Making a difference



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.

WAM Active

Directors

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

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

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1 Farrer Place
Sydney NSW 2000

Contact Details

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Sydney NSW 2001

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Share Registry

Boardroom Pty Limited
Level 8, 210 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)

Auditor

Pitcher Partners

Regional Shareholder Presentations

The Wilson Asset Management and Future Generation teams look forward to meeting with our shareholders across the country.

Newcastle Monday 9 October

Toowoomba Monday 30 October

Gold Coast Tuesday 31 October

Noosa Wednesday 1 November

Launceston Thursday 9 November

Join our hybrid Annual General Meeting

Wednesday, 25 October 2023

Museum of Sydney (Warrane Theatre)
Cnr Bridge St and Phillip St
Sydney NSW 2000

Further details to be provided.



FY2023 highlights

+17.7%

investment portfolio performance

9.0%

fully franked dividend yield*

6.0 cps

full year fully franked dividend

30 June 2023 snapshot

Listing date	January 2008
Gross assets	\$55.8m
Market capitalisation	\$49.9m
Share price	\$0.665
Shares on issue	75,068,303
Net tangible assets (pre-tax)	\$0.74
Net tangible assets (post-tax)	\$0.84
FY2023 fully franked dividends	6.0 cents
FY2023 fully franked dividend yield*	9.0%
FY2023 fully franked grossed-up dividend yield [^]	12.9%

[^]Based on the 30 June 2023 share price of \$0.665 per share.

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

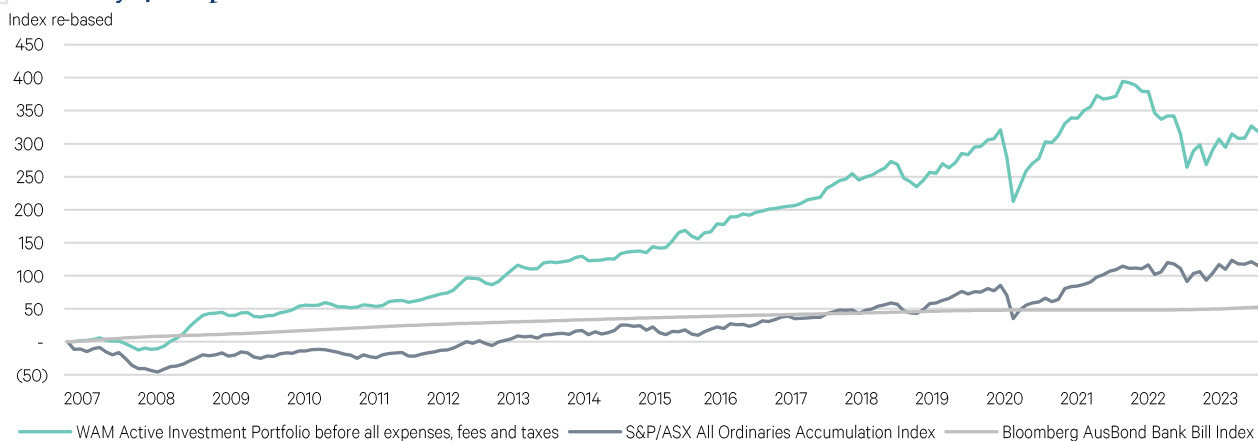
FY2023 results

WAM Active reported an operating profit before tax of \$7.9 million for the year (FY2022: operating loss before tax of \$17.4 million) and an operating profit after tax of \$5.8 million (FY2022: operating loss after tax of \$12.0 million), as a result of the solid performance of the investment portfolio over the year.

The investment portfolio increased 17.7% during the 12-month period to 30 June 2023, while the Bloomberg AusBond Bank Bill Index (Cash) rose 2.9% and the S&P/ASX All Ordinaries Accumulation Index rose 14.8%. The investment portfolio has returned 9.8% per annum since inception, outperforming the Bloomberg AusBond Bank Bill Index (Cash) by 7.0% per annum and the S&P/ASX All Ordinaries Accumulation Index by 4.6% per annum.

The Board declared a final fully franked dividend of 3.0 cents per share, bringing the full year fully franked dividend to 6.0 cents per share. The Company's ability to continue paying fully franked dividends at the current level is dependent on generating additional profits reserve, through positive investment portfolio performance, and franking credits. The ability to generate franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on profit. Since inception, WAM Active has paid 89.7 cents per share in fully franked dividends to shareholders.

WAM Active's investment portfolio has returned 9.8% p.a. since inception, outperforming the market by 4.6% p.a.



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Letter from the Chairman Geoff Wilson AO



Dear Fellow Shareholders,

The WAM Active investment team have delivered solid investment portfolio performance through the rigorous application of our market-driven process in the 2023 financial year.

WAM Active reported an operating profit before tax of \$7.9 million for the year (FY2022: operating loss before tax of \$17.4 million) and an operating profit after tax of \$5.8 million (FY2022: operating loss after tax of \$12.0 million), as a result of the solid performance of the investment portfolio over the year.

Despite market volatility, the WAM Active investment portfolio increased 17.7% in the 12 months to 30 June 2023 with an average cash weighting of 6.6% over the year, while the Bloomberg AusBond Bank Bill Index (Cash) rose 2.9% and the S&P/ASX All Ordinaries Accumulation Index rose 14.8%.

Since inception in 2008, WAM Active has achieved an investment portfolio return of 9.8% per annum. During the same period, the Bloomberg AusBond Bank Bill Index (Cash) has increased 2.8% per annum and the S&P/ASX All Ordinaries Accumulation Index by 5.2% per annum. This long-term investment portfolio performance has been achieved with WAM Active's diligent and proven investment approach, which focuses on a market-driven process, identifying market mispricing opportunities.

The WAM Active Board of Directors declared a full year fully franked dividend of 6.0 cents per share, with the final fully franked dividend being 3.0 cents per share. The full year fully franked dividend provides shareholders with a yield on the Company's 30 June 2023 share price of 9.0% and a grossed-up yield of 12.9%. When calculating the yield on net assets, the dividend yield of WAM Active is 8.1%, with a grossed-up yield of 11.6%.

Since inception, WAM Active has returned over \$48.5 million in dividends and franking credits to shareholders. Over the last four financial years, the historical profits reserve has enabled WAM Active to maintain its full year fully franked dividend at 6.0 cents per share. The Company is able to pay a final fully franked dividend in FY2023 as a result of the profits reserve available and the performance of the investment portfolio during the year. In order to sustain a full year fully franked dividend of 6.0 cents per share, the investment portfolio performance required is approximately 13.4% per annum, before expenses, fees and taxes.

+17.7%

investment portfolio performance for the 12-month period to 30 June 2023

9.0%

fully franked dividend yield on the 30 June 2023 share price

6.0 cps

FY2023 full year fully franked dividend

Chairman's letter

As at 31 July 2023, the Company had 5.8 cents per share available in its profit reserve representing 0.97 years of annual dividend coverage after the payment of the final fully franked dividend of 3.0 cents per share, payable on 16 October 2023. In FY2024, the Company's ability to continue paying fully franked dividends is dependent on generating additional profits reserves, through positive investment portfolio performance and franking credits. The ability to generate franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on profits.

In FY2023, we witnessed market volatility and sentiment impact the WAM Active share price discount to net tangible assets (NTA), with the share price moving from a 1.7% premium to NTA as at 30 June 2022, to a 10.2% discount to NTA as at 30 June 2023. The ongoing narrowing of the share price premium to NTA has occurred during the year across the listed investment company (LIC) and listed investment trust (LIT) sector as investors seek the perceived safe haven of fixed interest, term deposits and cash, amid a highly volatile equity market environment. The yield on fixed interests and bonds has exceeded the average yield on equity markets for the first time in nearly 12 years, causing premiums to contract and discounts to widen. WAM Active's share price discount to NTA as at 30 June 2023 of 10.2% compares to the average premium during FY2023 of 4.9% and 8.8% in FY2022. The average premium over the last five years was 4.8%.

As a fellow WAM Active shareholder, I would like to thank the WAM Active investment team and the broader Wilson Asset Management team for their continued support. We greatly appreciate the trust, loyalty and support we have received from the WAM Active shareholders throughout the year.

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.

Performance at 30 June 2023	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Jan-08)
WAM Active Investment Portfolio	17.7%	5.0%	3.7%	8.7%	9.8%
Bloomberg AusBond Bank Bill Index (Cash)	2.9%	1.0%	1.2%	1.7%	2.8%
Outperformance	+14.8%	+4.0%	+2.5%	+7.0%	+7.0%
S&P/ASX All Ordinaries Accumulation Index	14.8%	11.4%	7.3%	8.8%	5.2%
Outperformance	+2.9%	-6.4%	-3.6%	-0.1%	+4.6%

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

WAM Active's investment portfolio increased 17.7% in the year to 30 June 2023, while holding on average 6.6% of the investment portfolio in cash. Since inception, WAM Active has achieved an investment portfolio return of 9.8% per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 4.6% per annum.

Chairman's letter

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.

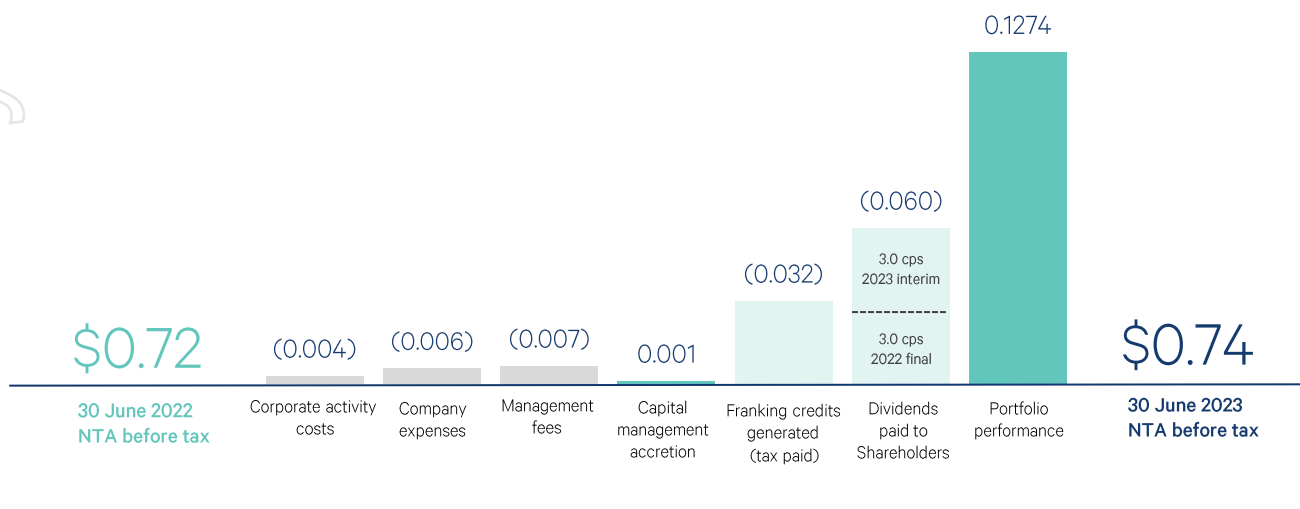
Financial year	WAM Active Investment Portfolio	S&P/ASX All Ordinaries Accumulation Index	Outperformance
2007/2008	2.2%	-15.2%	+17.4%
2008/2009	9.6%	-22.1%	+31.7%
2009/2010	22.7%	13.8%	+8.9%
2010/2011	11.5%	12.2%	-0.7%
2011/2012	5.5%	-7.0%	+12.5%
2012/2013	15.4%	20.7%	-5.3%
2013/2014	19.4%	17.6%	+1.8%
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%
2021/2022	-22.4%	-7.4%	-15.0%
2022/2023	17.7%	14.8%	+2.9%

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.

WAM Active's pre-tax NTA increased 11.0% in the 12 months to 30 June 2023, including the 6.0 cents per share of fully franked dividends paid to shareholders during the year. This increase is after corporate tax paid of 3.2 cents per share or 4.4% of the Company's pre-tax NTA during the year. Corporate tax payments were the major item of difference between the investment portfolio performance of 17.7% and the NTA performance of 11.0%. 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 0.8% and legal and professional fees associated with corporate activity of 0.6%, offset by capital management accretion of 0.1%.

WAM Active pre-tax NTA performance



3) Total shareholder return (TSR)

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.

The TSR for WAM Active was -2.3% for the year to 30 June 2023 and was impacted by the share price moving from a premium to NTA of 1.7% as at 30 June 2022 to a discount to NTA of 10.2% as at 30 June 2023. This was partially offset by the investment portfolio performance of 17.7% for the year. This measure does not value the potential benefit of franking credits distributed to shareholders through fully franked dividends.

Growth of a \$10,000 investment since inception



Notes:

1. The above graph reflects the period from inception in January 2008 to 30 June 2023.
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.

Capital management/corporate activity

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.

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. The Company raised \$3,297,341 during the term of the option issue, which expired on 31 October 2022. A total of 2,997,585 options were exercised, with the remaining options expiring.

Keybridge Capital update

On 14 February 2022, WAM Active received a purported notice of meeting from Keybridge Capital Limited (ASX: KBC) (Keybridge) that sought to call a general meeting of WAM Active shareholders on 17 March 2022 (249F Meeting) under section 249F of the *Corporations Act 2001 (Cth)* to elect six new directors (Keybridge Resolutions). WAM Active shareholders voted overwhelmingly against the Keybridge Resolutions.

In June 2022, WAM Active received a statement of claim filed in the Federal Court of Australia by Keybridge. Keybridge sought declarations to overturn the 249F Meeting result where 87.0% of WAM Active shareholders voted against the Keybridge Resolutions. On 17 April 2023, the Federal Court of Australia dismissed Keybridge's attempt to overturn shareholder voting at the 249F meeting in March 2022 and ordered Keybridge to pay WAM Active's costs of the proceedings. In May 2023, WAM Active was notified that Keybridge had lodged a Notice of Appeal in respect of the decision.

WAM Active continues to reject Keybridge's claims and will defend the appeal.

The WAM Active Board thanks all WAM Active shareholders for their continued support, and does not tolerate these attempts to disenfranchise all other WAM Active shareholders. WAM Active's Board will continue to focus on the Company's strategic goals and delivering on its investment objectives.

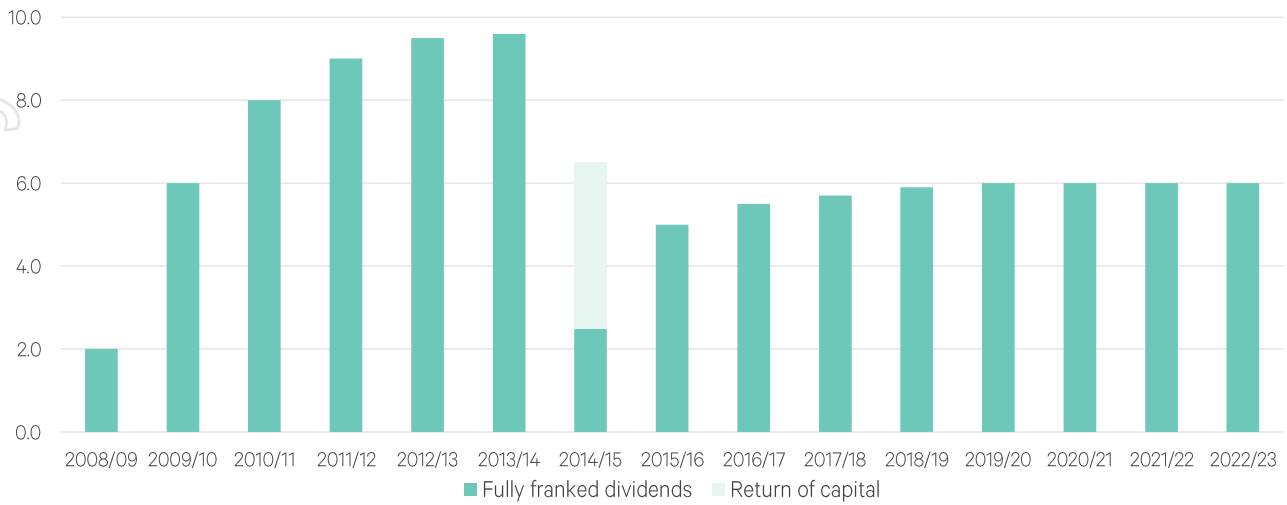
Dividends

The Board declared a final fully franked dividend of 3.0 cents per share, bringing the FY2023 full year fully franked dividend to 6.0 cents per share, representing a 9.0% yield on the 30 June 2023 share price. Since inception, the Company has paid 89.7 cents per share in fully franked dividends to shareholders.

The LIC structure provides a permanent and stable closed-end pool of capital. An investment team that manages capital on behalf of a LIC can therefore make rational investment decisions based on sound investment strategies, undisturbed by fund inflows and outflows (investors' capital allocations and redemptions). Investors in LICs may also benefit from fully franked dividends paid over time.

Since inception, WAM Active has returned almost \$48.5 million in dividends and franking credits to shareholders. The long-term investment portfolio performance has enabled WAM Active to pay shareholders an average annualised fully franked dividend yield on the initial public offering price of 6.2% per annum over the last 15 years. Over the last four financial years, the performance of the investment portfolio and the historical profits reserve has enabled WAM Active to maintain its full year fully franked dividend at 6.0 cents per share. As at 31 July 2023, the Company had 5.8 cents per share available in its profit reserve representing 0.97 years of annual dividend coverage after the payment of the final fully franked dividend of 3.0 cents per share, payable on 16 October 2023.

WAM Active dividends and return of capital since inception



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 the team, on (02) 9247 6755 or email us at info@wilsonassetmanagement.com.au.

Thank you for your continued support and keep safe.

Geoff Wilson AO
Chairman

Update from the Lead Portfolio Manager *Oscar Oberg CFA*



Investment process

The WAM Active investment process is market driven, with a focus on identifying mispricing opportunities. This market-driven process enables WAM Active to participate in a number of deals, such as initial public offerings, capital raisings and earnings accretive acquisitions. Over the last two years, we have seen a very weak environment for equity and capital markets activity, with WAM Active participating in 16 deals in FY2023 compared to 48, 35 and 24 in FY2020, FY2021 and FY2022 respectively.

The year in review

For the 12 months to 30 June 2023, the WAM Active investment portfolio increased 17.7%, with an average cash weighting of 6.6% over the year, while the Bloomberg AusBond Bank Bill Index (Cash) increased 2.9% and the S&P/ASX All Ordinaries Accumulation Index increased 14.8%. As at 31 July 2023, the investment portfolio held 11.4% in cash. The team was pleased with this outcome in what could be considered as one of the toughest markets experienced for some time.

A contributor to the investment portfolio outperformance over the 2023 financial year included tourism company Flight Centre (ASX: FLT). In January, WAM Active participated in Flight Centre's \$180 million equity raise to acquire luxury tour operator, Scott Dunn. Our positivity towards Flight Centre was due to our favourable view on the tourism sector following the removal of border restrictions and the structurally lower cost base of the business coming out of the coronavirus pandemic. Since January, Flight Centre has delivered two earnings upgrades and continues to build cash on the balance sheet which could potentially be used for further catalysts of acquisitions and capital management. Looking ahead, we think earnings will continue to be upgraded, with analyst expectations yet to factor in management's profit before tax to total transaction value target of 2% from the 2025 financial year.

The year ahead

We are seeing many exciting opportunities from companies across an array of sectors that have been significantly impacted by the prevailing uncertain macroeconomic environment. As we enter the 2024 financial year, we believe we are approaching the end of the tightening cycle by global central banks and will soon enter an earnings downgrade cycle due to prospects of a recession. We believe an eventual stabilisation in interest rates this year will give companies confidence to identify earnings accretive acquisitions or conduct capital management initiatives, such as IPOs, which will provide more opportunities for WAM Active.

Thank you for your continued support.

Oscar Oberg CFA
Lead Portfolio Manager

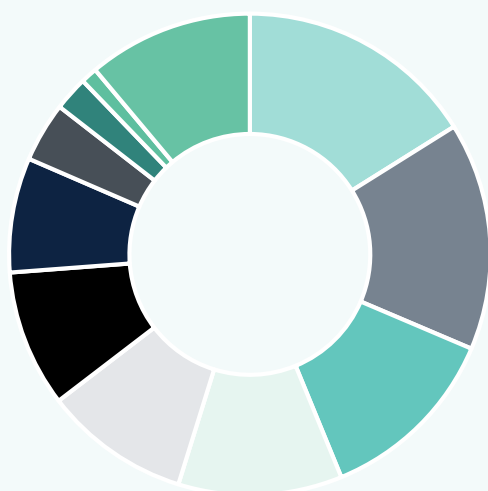
WAM Active top 20 holdings

as at 30 June 2023

Code	Company	Portfolio weighting
FLT	Flight Centre Travel Group Limited	5.7%
CAR	carsales.com Limited	4.8%
FPH	Fisher & Paykel Healthcare Corporation Limited	4.7%
KBC	Keybridge Capital Limited	4.5%
NEU	Neuren Pharmaceuticals Limited	3.9%
NXT	NEXTDC Limited	3.7%
BGL	Bellevue Gold Limited	3.5%
MRM	MMA Offshore Limited	3.5%
WOR	Worley Limited	3.4%
360	Life360 Inc.	3.2%
MP1	Megaport Limited	2.6%
TPG	TPG Telecom Limited	2.6%
SMP	Smartpay Holdings Limited	2.6%
NXD	NextEd Group Limited	2.5%
CDA	Codan Limited	2.4%
n/a	Xpansiv Limited	2.4%
QAL	Qualitas Limited	2.2%
BLD	Boral Limited	2.2%
TAH	Tabcorp Holdings Limited	2.0%
AMP	AMP Limited	2.0%

The fair values of individual investments held at the end of the reporting period are disclosed on page 59 of the Annual Report.

Diversified investment portfolio by sector



- Financials: 16.1%
- Consumer discretionary: 15.3%
- Information technology: 12.4%
- Communication services: 11.0%
- Health care: 9.8%
- Industrials: 9.2%
- Materials: 7.7%
- Energy: 4.0%
- Real estate: 2.3%
- Consumer staples: 1.1%
- Cash: 11.1%

About Wilson Asset Management

Wilson Asset Management is passionate about making a difference for shareholders and the community for more than 25 years. As an investment manager, Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

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

Philanthropy

Geoff Wilson founded Future Generation Australia (ASX: FGX) in 2014 and Future Generation Global (ASX: FGG) in 2015. The Future Generation companies are Australia's first listed investment companies to provide both investment and social returns: the companies provide shareholders with exposure to leading Australian and global fund managers who deliver a stream of fully franked dividends and capital growth to investors. This group of leading fund managers manages more than \$1 billion in assets on a pro bono basis, waiving their performance and management fees. Their generosity allows the Future Generation companies to invest 1% of net tangible assets each year in not-for-profit organisations. Shareholders are able to decide which not-for-profits will receive the donation, whether it's supporting children and youth at risk (FGX) or investing in the promotion of wellbeing and preventing mental ill-health in young Australians (FGG). By 2030, Future Generation aims to have donated over \$100 million, with \$65.2 million donated since inception so far. The team at Wilson Asset Management continue to support both companies.

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. During the year, Wilson Asset Management and Future Generation team members were proud to support over 90 charities across several cause areas such as cancer research, homelessness and mental health. All philanthropic investments are made by the Investment Manager.

We are honoured to provide continued support to Olympic athletes, through managing over \$8 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.

We also support a number of organisations through sponsorships and partnerships across a range of initiatives including; the 2022 Wollongong UCI Road World Cycling Championship, The Australian Shareholder's Association, Sporting Chance Cancer Foundation, Women in Super and many more. All sponsorships and partnerships are made by the Investment Manager.

Advocacy and Education

As part of our focus on making a difference to shareholders and the community, our advocacy work for fair and equitable treatment of retail shareholders continues to be a priority. We firmly believe all shareholders, both retail and wholesale, should be treated equitably when investing in the Australian equity market.

Together we have been publicly fighting for the preservation of Paul Keating's franking system since the Labor party first proposed changes in 2018, a proposal that was going to deny cash refunds of franking credits to certain investors. In September 2021, the Australian Government announced proposed legislation changes to the Australian franking system, this time limiting the ability of Australian companies to pay fully franked dividends to their shareholders. Of the two pieces of legislation proposed, the one that concerns us the most relates to the Government's plan to stop companies paying fully franked dividends that in Treasury's view are directly or indirectly funded by capital raisings. This legislation will stop small growth companies from raising capital and paying fully franked dividends and encourage large companies to focus

on minimising tax paid in Australia. The second piece of legislation regarding the off-market buy-backs will restrict a company's ability to equitably manage its capital.

Following a public consultation period and our extensive engagement with Federal MPs and Senators, a Senate Inquiry was held to take a deeper look into the details of the proposed changes. This has now taken place and the committee acknowledged Schedule 5 of the Bill: Franked distributions funded by capital raisings needs clarification, an important victory for us all including industry and taxation experts, lawyers and academics who agree that this legislation is flawed. Unfortunately, they did not grasp that Schedule 4 of the Bill: Off-market share buy-backs also has significant unintended consequences and needs redrafting.

The Australian franking system has been part of the reason Australia has seen more than three decades of economic stability and growth. It has encouraged Australian companies and shareholders to invest in Australia, employ Australians, pay tax in Australia and in turn create more local jobs and ownership of Australian companies by Australians. We will continue to engage with Federal members of parliament, raising awareness about the long term unintended consequences of the proposed legislation.

We also remain committed to education initiatives which advocate for change and progress in corporate Australia. We support the University of New South Wales' School of Mathematics and Statistics' 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 provides rewarding career paths. We regularly host Women's Investor Events which give likeminded women a platform to network and enhance financial literacy, while our Young Investor Events aim to inspire the next generation to begin their investment journey early.

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. We encourage all shareholders to communicate with us and share their feedback. We have a variety of options to keep you informed, including:

- ✓ Email updates from our Lead Portfolio Managers
- ✓ Shareholder Presentations and events
- ✓ Investment team insights including 'Buy Hold Sell' videos
- ✓ Shareholder Q&A webinars
- ✓ Monthly net tangible asset reports and investment updates
- ✓ Roundtables with planners, advisers and their clients
- ✓ Social media engagement
- ✓ Investor education material
- ✓ Annual and interim results announcements

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

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.



Directors' Report to shareholders for the year ended 30 June 2023

The Directors present their report together with the financial report of WAM Active for the financial year ended 30 June 2023.

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 an operating profit before tax of \$7,897,960 (2022: operating loss before tax of \$17,356,329) and an operating profit after tax of \$5,754,532 (2022: operating loss after tax of \$11,959,691), as a result of the solid performance of the investment portfolio over the year. The investment portfolio increased 17.7% during the 12-month period to 30 June 2023, while the S&P/ASX All Ordinaries Accumulation Index rose 14.8% and the Bloomberg AusBond Bank Bill Index (Cash) increased 2.9%.

The operating profit for the year 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. This treatment under the Accounting Standards can cause large variations in reported operating profits between periods.

The operating profit or loss for each financial year 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 2023 was \$63,170,774 (2022: \$61,196,742). 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 2023.

Dividends paid or declared

Dividends paid or declared during the year are as follows:

	\$
Fully franked FY2022 final dividend of 3.0 cents per share paid on 28 October 2022	2,225,339
Fully franked FY2023 interim dividend of 3.0 cents per share paid on 21 April 2023	2,238,571

Since the end of the year, the Directors declared a final fully franked dividend of 3.0 cents per share to be paid on 16 October 2023.

Since inception, WAM Active has returned over \$45.8 million in dividends and franking credits to shareholders. The long-term investment portfolio performance has enabled WAM Active to pay shareholders an average annualised fully franked dividend yield on the initial public offering price of 6.2% per annum over the last 15 years.

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. In FY2024, the Company's ability to continue paying fully 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 investee companies and the payment of tax on profit. As at 31 July 2023, the Company had 8.8 cents per share available in its profits reserve, representing 1.5 years of dividend coverage before the payment of the final fully franked dividend of 3.0 cents per share, payable on 16 October 2023.

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
- Simon Poidevin

Information on Directors

Geoff Wilson AO (Chairman – non-independent)

Experience and expertise

Geoff Wilson has over 43 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 Australia Limited and Future Generation Global 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 Wilson has been Chairman of the Company since July 2007.

Other current listed company 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) and WAM Strategic Value Limited (appointed March 2021). He is the founder and a Director of Future Generation Australia

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

Other current listed company directorships (cont'd)

Limited (appointed July 2014) and Future Generation Global Limited (appointed May 2015) and a Director of WAM Alternative Assets Limited (appointed September 2020), Global Value Fund Limited (appointed April 2014) and Hearts and Minds Investments Limited (appointed September 2018).

Former listed company 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 18 years' experience in the funds management industry and more than 24 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, WAM Strategic Value Limited, Future Generation Australia Limited and Future Generation Global 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 listed company directorships

Kate Thorley is a Director of WAM Research Limited (appointed August 2014), Future Generation Australia Limited (appointed April 2015), WAM Leaders Limited (appointed March 2016), WAM Capital Limited (appointed August 2016), WAM Microcap Limited (appointed March 2017), WAM Global Limited (appointed February 2018), Future Generation Global Limited (appointed March 2021) and WAM Strategic Value Limited (appointed March 2021).

Former listed company 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.

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 35 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 Practising Accountant of CPA Australia, and a Graduate of the Australian Institute of Company Directors. Karina formerly served on the Board of Advice of the University of Sydney Business School. She currently serves on the advisory board of a number of fintech startups.

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

Other current listed company directorships

Karina Kwan has no other listed company directorships.

Former listed company directorships in the last 3 years

Karina Kwan resigned as a director of Kyckr Limited in November 2022.

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.

Simon Poidevin (Director – independent)

Experience and expertise

Simon Poidevin has worked in global financial markets for over 39 years, spending 14 years with Citigroup, culminating in heading the firm's Corporate Equity Broking division in Australia. Simon was previously Managing Director, Corporate Broking at Bell Potter Securities Limited from 2013 to 2020. He is currently a non-executive Director of Stealth Global Holdings Limited (ASX: SGI), an Advisory Board Member of leading Safe Harbour insolvency firm Wexted Advisors and a board member of the UNSW Foundation. Simon represented Australia in Rugby Union from 1980 to 1992, captaining the Wallabies in 1986 and 1987 and becoming the first Wallaby to play 50 tests. He was inducted into the Sport Australia Hall of Fame in 1991 and the Australian Rugby Hall of Fame in 2014.

Simon Poidevin has been a Director of the Company since December 2021.

Other current listed company directorships

Simon Poidevin is a director of Stealth Global Holdings Limited (appointed October 2021).

Former listed company directorships in the last 3 years

Simon Poidevin 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

Simon Poidevin has no interests in shares of the Company.

Interests in contracts

Simon Poidevin 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 Hamilton is a Chartered Accountant with more than 15 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 Limited and Future Generation Global Limited. 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 Hamilton was appointed Company Secretary of WAM Active in November 2020.

Linda Kiriczenko

Linda Kiriczenko has over 19 years' experience in financial accounting including more than 15 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 Leaders Limited, WAM Global Limited, WAM Microcap Limited, WAM Research Limited and WAM Active 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 Kiriczenko 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.

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 2023:

Director	Position	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,050	950	10,000
Kate Thorley	Director	9,050	950	10,000
Karina Kwan	Director	27,149	2,851	30,000
Simon Poidevin	Director	27,149	2,851	30,000
		72,398	7,602	80,000

Directors receive a superannuation guarantee contribution required by the government, which was 10.5% of individuals benefits for FY2023 (FY2022: 10.0%) 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 2022:

Director	Position	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,091	909	10,000
Kate Thorley	Director	9,091	909	10,000
Karina Kwan	Director	27,273	2,727	30,000
Simon Poidevin (appointed 7 December 2021)	Director	15,505	1,550	17,055
Emma Ruge-Price (resigned 7 December 2021)	Director	11,955	1,195	13,150
		72,915	7,290	80,205

Remuneration Report (Audited) (cont'd)

a) Remuneration of Directors (cont'd)

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

	2023	2022	2021	2020	2019
Operating profit/(loss) after tax (\$)	\$5,754,532	(\$11,959,691)	\$6,270,606	(\$767,421)	\$673,133
Dividends (cents per share)	6.0	6.0	6.0	6.0	5.9
Share price (\$ per share)	\$0.665	\$0.735	\$1.095	\$0.90	\$0.995
NTA after tax (cents per share)	84.02	82.37	104.42	96.86	104.46
Total Directors' remuneration (\$)	\$80,000	\$80,205	\$80,000	\$80,000	\$80,000
Shareholders' equity (\$)	\$63,170,774	\$61,196,742	\$76,535,625	\$45,227,618	\$48,342,728

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

b) Director related entities remuneration

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 \$611,104 inclusive of GST (2022: \$772,385). As at 30 June 2023, the balance payable to the Manager was \$51,176 inclusive of GST (2022: \$49,354).

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. As at 30 June 2023, there was no performance fee payable to the Manager due to the gross value of the portfolio being below the previous high-water mark (2022: 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 2023, the fee for accounting services amounted to \$46,200 inclusive of GST (2022: \$46,200) and the fee for company secretarial services amounted to \$16,500 inclusive of GST (2022: \$16,500). Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

Remuneration Report (Audited) (cont'd)

b) Director related entities remuneration (cont'd)

These amounts are in addition to the above Directors' 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.

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 2022	Acquisitions	Disposed	Balance at 30 June 2023
Geoff Wilson	1,268,080	-	-	1,268,080
Kate Thorley	87,184	-	-	87,184
Karina Kwan	-	-	-	-
Simon Poidevin	-	-	-	-
	1,355,264	-	-	1,355,264

Options held Directors	Balance at 30 June 2022	Acquisitions	Options exercised/disposed	Balance at 30 June 2023
Geoff Wilson	1,268,080	-	(1,268,080)	-
Kate Thorley	87,184	-	(87,184)	-
Karina Kwan	-	-	-	-
Simon Poidevin	-	-	-	-
	1,355,264	-	(1,355,264)	-

There have been no changes in shareholdings and option holdings disclosed above between 30 June 2023 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
Simon Poidevin	4	4

Audit and Risk Committee meetings

The main responsibilities of the Audit and Risk Committee are set out in the Company's 2023 Corporate Governance Statement.

Audit and Risk Committee member	No. eligible to attend	Attended
Karina Kwan	4	4
Kate Thorley	4	4
Simon Poidevin	4	4

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 one-for-one Bonus Option Issue. The Company raised \$3,297,341 during the term of the option issue, which expired on 31 October 2022. A total of 2,997,585 options were exercised, with the remaining options expiring. No options were exercised during the period.

After balance date events

Since the end of the year, the Directors declared a final fully franked dividend of 3.0 cents per share to be paid on 16 October 2023.

No other matters or circumstances have 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 macroeconomic 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 significant 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 14 February 2022, WAM Active received a purported notice of meeting from Keybridge Capital Limited (ASX: KBC) (Keybridge) that sought to call a general meeting of WAM Active shareholders on 17 March 2022 (249F Meeting) under section 249F of the *Corporations Act 2001 (Cth)* to elect six new directors (Keybridge Resolutions). WAM Active shareholders voted overwhelmingly against the Keybridge Resolutions.

In June 2022, WAM Active received a statement of claim filed in the Federal Court of Australia by Keybridge. Keybridge sought declarations to overturn the 249F Meeting result where 87.0% of WAM Active shareholders voted against the Keybridge Resolutions. On 17 April 2023, the Federal Court of Australia dismissed Keybridge's attempt to overturn shareholder voting at the 249F meeting in March 2022 and ordered Keybridge to pay WAM Active's costs of the proceedings. In May 2023, WAM Active was notified that Keybridge had lodged a Notice of Appeal in respect of the decision.

WAM Active continues to reject Keybridge's claims and will defend the appeal.

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.

Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2023 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 27 of the Annual Report.

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



Geoff Wilson AO
Chairman

Dated this 29th day of August 2023

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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 2023, 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

29 August 2023

Statement of comprehensive income for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Net realised and unrealised gains/(losses) on financial investments		8,147,360	(16,654,115)
Other revenue from operating activities	2	1,117,973	1,000,838
Management fees		(569,438)	(719,722)
Directors fees		(80,000)	(80,205)
Brokerage expense on share purchases		(252,321)	(279,512)
Custody fees		(4,921)	(5,293)
ASX listing and CHESS fees		(69,988)	(64,812)
Share registry fees		(46,014)	(70,070)
Disbursements, mailing and printing		(20,131)	(23,736)
ASIC industry funding levy		(5,233)	(4,980)
Legal and professional fees		(105,328)	(260,866)
Audit fees		(51,290)	(45,494)
Accounting fees		(46,200)	(46,200)
Other expenses from ordinary activities		(116,509)	(102,162)
Profit/(loss) before income tax		7,897,960	(17,356,329)
Income tax (expense)/benefit	3(a)	(2,143,428)	5,396,638
Profit/(loss) after income tax attributable to members of the Company		5,754,532	(11,959,691)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		5,754,532	(11,959,691)
Basic and diluted earnings/(loss) per share	14	7.72 cents	(16.25 cents)

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	12	3,758,345	5,442,070
Trade and other receivables	6	3,151,180	2,302,309
Financial assets	7	49,630,706	48,471,638
Current tax assets	3(c)	-	87,895
Total current assets		56,540,231	56,303,912
Non-current assets			
Deferred tax assets	3(b)	8,398,765	7,561,910
Total non-current assets		8,398,765	7,561,910
Total assets		64,938,996	63,865,822
Current liabilities			
Trade and other payables	8	873,093	2,531,215
Current tax liabilities	3(c)	895,129	-
Total current liabilities		1,768,222	2,531,215
Non-current liabilities			
Deferred tax liabilities	3(d)	-	137,865
Total non-current liabilities		-	137,865
Total liabilities		1,768,222	2,669,080
Net assets		63,170,774	61,196,742
Equity			
Issued capital	9	78,520,034	77,836,624
Profits reserve	10	4,833,088	3,542,466
Accumulated losses	11	(20,182,348)	(20,182,348)
Total equity		63,170,774	61,196,742

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2023

	Note	Issued capital \$	Accumulated losses \$	Profits reserve \$	Total equity \$
Balance at 1 July 2021		76,802,356	(6,183,845)	5,917,114	76,535,625
Loss for the year		-	(11,959,691)	-	(11,959,691)
Transfer to profits reserve		-	(2,038,812)	2,038,812	-
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via dividend reinvestment plan	9(b)	662,033	-	-	662,033
Shares issued via exercise of options	9(b)	372,235	-	-	372,235
Dividends paid	4(a)	-	-	(4,413,460)	(4,413,460)
Balance at 30 June 2022		77,836,624	(20,182,348)	3,542,466	61,196,742
Profit for the year		-	5,754,532	-	5,754,532
Transfer to profits reserve		-	(5,754,532)	5,754,532	-
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via dividend reinvestment plan	9(b)	683,410	-	-	683,410
Dividends paid	4(a)	-	-	(4,463,910)	(4,463,910)
Balance at 30 June 2023		78,520,034	(20,182,348)	4,833,088	63,170,774

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Proceeds from sale of investments		198,614,337	212,786,493
Payments for purchase of investments		(193,925,895)	(215,995,908)
Dividends received		949,067	924,961
Interest received		177,816	40,785
Other investment income received		20,581	1,751
Management fee (GST inclusive)		(609,282)	(793,263)
Performance fee (GST inclusive)		-	(1,945,033)
Brokerage expense on share purchases (GST inclusive)		(270,282)	(299,642)
Payments for administration expenses (GST inclusive)		(789,680)	(817,658)
Income tax paid		(2,135,124)	(227,321)
GST on brokerage expense on share sales		(17,470)	(19,762)
Net GST received from the ATO		82,707	243,005
Net cash provided by/(used in) operating activities	13	2,096,775	(6,101,592)
Cash flows from financing activities			
Proceeds from issue of shares via exercise of options		-	372,235
Dividends paid – net of reinvestment		(3,780,500)	(3,751,427)
Net cash used in financing activities		(3,780,500)	(3,379,192)
Net decrease in cash and cash equivalents held		(1,683,725)	(9,480,784)
Cash and cash equivalents at beginning of financial year		5,442,070	14,922,854
Cash and cash equivalents at end of financial year	12	3,758,345	5,442,070
Non-cash transactions:			
Shares issued via dividend reinvestment plan	9(b)	683,410	662,033

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2023

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 29 August 2023 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 International Accounting Standards Board (IASB). Significant 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, with the exception of certain 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 Report 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. There was no material impact to the financial statements.

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.

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.

1. Significant accounting policies (cont'd)

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

Classification and subsequent measurement

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 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.

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.

1. Significant accounting policies (cont'd)

b) Income tax (cont'd)

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 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 2023, there are no expected credit losses recognised (2022: nil).

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.

1. Significant accounting policies (cont'd)

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 judgements

The Directors evaluate estimates and judgements 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 judgement. 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. Refer to Note 3(b) for further detail.

There are no other estimates or judgements that have a material impact on the Company's financial results for the year ended 30 June 2023. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgements 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 not yet adopted that would have a material impact for the Company this financial period.

2. Other revenue

	2023 \$	2022 \$
Australian sourced dividends	865,546	868,814
Interest	151,666	83,231
Foreign sourced dividends	80,180	47,042
Other income	20,581	1,751
	1,117,973	1,000,838

3. Income Tax

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:

	2023 \$	2022 \$
Prima facie tax on profit/(loss) before income tax at 30% (2022: 30%)	2,369,388	(5,206,899)
Imputation credit gross up	97,252	83,598
Imputation credit offset	(324,172)	(278,660)
Foreign income tax gross up	-	1,089
Other non-assessable items*	960	4,234
	2,143,428	(5,396,638)
Effective tax rate	27.2%	(31.1%)

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 higher proportion of franked dividend income received compared to the operating result for the year in comparison to the prior period.

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

Total income tax expense/(benefit) results in a:	2023 \$	2022 \$
Current tax liability	3,118,148	(5,582,998)
Deferred tax asset	(836,855)	56,942
Deferred tax liability	(137,865)	129,418
	2,143,428	(5,396,638)

3. Income Tax (cont'd)**b) Deferred tax assets**

	2023 \$	2022 \$
Provisions	12,012	11,103
Capitalised share issue costs	28,001	30,119
Tax losses	7,510,115	7,520,688
Fair value adjustments	848,637	-
	8,398,765	7,561,910
Movement in deferred tax assets		
Balance at the beginning of the year	7,561,910	2,035,854
Charged/(credited) to the statement of comprehensive income	836,855	(56,942)
Tax losses transferred from current tax liabilities	-	5,582,998
At reporting date	8,398,765	7,561,910

The Directors consider it probable that future taxable profits will be available against which the \$7,510,115 (2022: \$7,520,688) 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. Refer to Note 1(m) for details regarding the assumptions about future taxable profits.

c) Current tax liabilities/(assets)

	2023 \$	2022 \$
Balance at the beginning of the year	(87,895)	139,426
Current year income tax on operating profit/(loss)	3,118,148	(5,582,998)
Transfer tax losses to deferred tax asset	-	5,582,998
Net income tax paid	(2,135,124)	(227,321)
At reporting date	895,129	(87,895)

3. Income Tax (cont'd)

d) Deferred tax liabilities

	2023 \$	2022 \$
Fair value adjustments	-	127,916
Income provisions	-	9,949
	-	137,865
Movement in deferred tax liabilities		
Balance at the beginning of the year	137,865	8,447
(Credited)/charged to the statement of comprehensive income	(137,865)	129,418
At reporting date	-	137,865

4. Dividends

a) Ordinary dividends paid during the year

	2023 \$	2022 \$
Final dividend FY2022: 3.0 cents per share fully franked at 30% tax rate, paid 28 October 2022 (Final dividend FY2021: 3.0 cents per share fully franked)	2,225,339	2,199,047
Interim dividend FY2023: 3.0 cents per share fully franked at 30% tax rate, paid 21 April 2023 (Interim dividend FY2022: 3.0 cents per share fully franked)	2,238,571	2,214,413
	4,463,910	4,413,460

b) Dividends not recognised at year end

	2023 \$	2022 \$
In addition to the above dividends, since the end of the year, the Directors have declared a 3.0 cents per share final fully franked dividend (2022: 3.0 cents per share fully franked) which has not been recognised as a liability at the end of the financial year:	2,252,049	2,225,339

c) Dividend franking account

	2023 \$	2022 \$
Balance of franking account at year end	746,008	199,816
Adjusted for franking credits arising from:		
- Estimated income tax payable/(refundable)	895,129	(87,895)
Subsequent to the reporting period, the franking account would be reduced by the proposed dividend disclosed in Note 4(b):	(965,164)	(953,717)
	675,973	(841,796)

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.

5. Auditor's remuneration

	2023 \$	2022 \$
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial report	51,290	45,494
Other services provided by a related practice of the auditor:		
Taxation services	9,185	8,415
	60,475	53,909

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

	2023 \$	2022 \$
Outstanding settlements	2,703,803	2,094,671
Trade debtors	361,111	119,095
Investment income receivable	64,929	68,270
GST receivable	21,337	20,273
	3,151,180	2,302,309

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 the transaction. Investment income receivable relates to interest, dividends and trust distributions receivable at the end of the reporting period.

7. Financial assets

	2023 \$	2022 \$
Listed investments at fair value	47,880,497	47,493,179
Unlisted investments at fair value	1,750,209	978,459
	49,630,706	48,471,638

The fair values of individual investments held at the end of the reporting period are disclosed on page 59 of the Annual Report.

8. Trade and other payables

	2023 \$	2022 \$
Outstanding settlements	690,537	2,355,105
Sundry payables	131,380	126,756
Management fee payable	51,176	49,354
	873,093	2,531,215

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.

9. Issued capital

a) Paid-up capital

	2023 \$	2022 \$
75,068,303 ordinary shares fully paid (2022: 74,177,980)	78,520,034	77,836,624

b) Ordinary shares

	2023 \$	2022 \$
Balance at the beginning of the year 74,177,980 ordinary shares fully paid (2022: 73,173,266)	77,836,624	76,802,356
441,062 ordinary shares issued on 28 October 2022 under a dividend reinvestment plan	341,515	-
449,261 ordinary shares issued on 21 April 2023 under a dividend reinvestment plan	341,895	-
302,097 ordinary shares issued on 29 October 2021 under a dividend reinvestment plan	-	317,647
364,221 ordinary shares issued on 27 May 2022 under a dividend reinvestment plan	-	344,386
338,396 ordinary shares issued from the exercise of options at \$1.10 per option	-	372,235
At reporting date	78,520,034	77,836,624

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, with all substantive resolutions conducted 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.

9. Issued capital (cont'd)

c) Capital management

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 its intention to grow WAM Active to the benefit of all shareholders through a one-for-one Bonus Option Issue. The Company raised \$3,297,341 during the term of the option issue, which expired on 31 October 2022. A total of 2,997,585 options were exercised, with the remaining options expiring.

10. Profits reserve

	2023 \$	2022 \$
Profits reserve	4,833,088	3,542,466

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

	2023 \$	2022 \$
Movement in profits reserve		
Balance at the beginning of the year	3,542,466	5,917,114
Transfer of profits during the year	5,754,532	2,038,812
Final dividend paid (refer to note 4(a))	(2,225,339)	(2,199,047)
Interim dividend paid (refer to note 4(a))	(2,238,571)	(2,214,413)
At reporting date	4,833,088	3,542,466

11. Accumulated losses

	2023 \$	2022 \$
Balance at the beginning of the year	(20,182,348)	(6,183,845)
Transfer to profits reserve	(5,754,532)	(2,038,812)
Profit/(loss) for the year attributable to members of the Company	5,754,532	(11,959,691)
At reporting date	(20,182,348)	(20,182,348)

12. 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:

	2023 \$	2022 \$
Cash at bank	3,758,345	5,442,070
	3,758,345	5,442,070

The weighted average interest rate for cash as at 30 June 2023 is 4.23% (2022: 0.97%). There were no term deposits held at 30 June 2023 (2022: nil).

13. Cash flow information

	2023 \$	2022 \$
Reconciliation of operating profit/(loss) after income tax:		
Profit/(loss) after income tax	5,754,532	(11,959,691)
Fair value (gains)/losses and movements in financial assets	(3,432,768)	13,402,254
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(239,739)	128,365
Decrease/(increase) in current tax assets	87,895	(87,895)
Increase in deferred tax assets	(836,855)	(5,526,056)
Increase/(decrease) in payables	6,446	(2,048,561)
Increase/(decrease) in current tax liabilities	895,129	(139,426)
(Decrease)/increase in deferred tax liabilities	(137,865)	129,418
Net cash provided by/(used in) operating activities	2,096,775	(6,101,592)

14. Earnings per share

	2023 Cents per share	2022 Cents per share
Basic and diluted earnings/(loss) per share	7.72	(16.25)
	2023 \$	2022 \$
Profit/(loss) after income tax used in the calculation of basic and diluted earnings/(loss) per share	5,754,532	(11,959,691)
	2023 No.	2022 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted earnings/(loss) per share	74,588,348	73,603,737

For the year ended 30 June 2023, there are no outstanding securities that are potentially dilutive in nature for the Company (2022: no outstanding securities that are potentially dilutive in nature).

15. 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 period.

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 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.

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.

15. Financial risk management (cont'd)

a) Credit risk (cont'd)

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 2023.

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 by the Manager.

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 tradable securities which, where liquidity is available, can be sold on market when, and if required.

The table below 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.

30 June 2023	>1 month \$	<1 month \$	Total \$
Liabilities			
Trade and other payables	-	873,093	873,093
Total	-	873,093	873,093
30 June 2022	>1 month \$	<1 month \$	Total \$
Liabilities			
Trade and other payables	-	2,531,215	2,531,215
Total	-	2,531,215	2,531,215

15. Financial risk management (cont'd)

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.

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 2023	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
Assets				
Cash and cash equivalents	4.23%	3,758,345	-	3,758,345
Trade and other receivables		-	3,151,180	3,151,180
Financial assets		-	49,630,706	49,630,706
Total		3,758,345	52,781,886	56,540,231
Liabilities				
Trade and other payables		-	873,093	873,093
Total		-	873,093	873,093

15. Financial risk management (cont'd)

c) Market risk (cont'd)

(i) Interest rate risk (cont'd)

30 June 2022	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
Assets				
Cash and cash equivalents	0.97%	5,442,070	-	5,442,070
Trade and other receivables		-	2,302,309	2,302,309
Financial assets		-	48,471,638	48,471,638
Total		5,442,070	50,773,947	56,216,017
Liabilities				
Trade and other payables		-	2,531,215	2,531,215
Total		-	2,531,215	2,531,215

(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.

15. Financial risk management (cont'd)

c) Market risk (cont'd)

(ii) Other price risk (cont'd)

The Company's industry sector weighting of gross assets as at 30 June 2023 is as below:

Industry sector	2023 %	2022 %
Financials	16.1	19.6
Consumer discretionary	15.3	5.8
Information technology	12.4	7.3
Communication services	11.0	11.5
Health care	9.8	4.4
Industrials	9.2	13.8
Materials	7.7	12.6
Energy	4.0	4.3
Real estate	2.3	1.2
Consumer staples	1.1	9.5
Total	88.9	90.0

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2023 are set out below:

Company name	2023 %
Flight Centre Travel Group Limited	5.7

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2022 are set out below:

Company name	2022 %
Keybridge Capital Limited	8.0
AMP Limited	5.3

15. Financial risk management (cont'd)

c) Market risk (cont'd)

(ii) Other price risk (cont'd)

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 88.9% (2022: 90.0%) of gross assets at year end. At reporting date, if the fair value of each of the investments within the portfolio changed by 5%, the impact on the Company's profit or loss after tax would have been an increase/decrease by \$1,737,075 (2022: \$1,696,507). This would result in the 30 June 2023 net asset backing after tax moving by 2.3 cents per share (2022: 2.3 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 convertible notes which settle after 30 June 2023 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.

During the year, HHY Fund and Lanyon Investment Company Limited were transferred from Level 1 to Level 2 in the fair value hierarchy following the securities' removal from the ASX stock exchange. There were no other transfers between Level 1 and Level 2 during the year (June 2022: investments in Iris Energy Limited's convertible note and PEXA Group Limited were transferred from Level 2 to Level 1 in the fair value hierarchy).

15. 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 2023:

30 June 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets	47,880,497	1,750,209	-	49,630,706
Total	47,880,497	1,750,209	-	49,630,706

30 June 2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets	47,493,179	978,459	-	48,471,638
Total	47,493,179	978,459	-	48,471,638

16. Investment transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 4,808 (2022: 4,405). Each contract note could involve multiple transactions. The total brokerage paid on these contract notes was \$531,007 (2022: \$593,195).

17. Segment reporting

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

18. Capital commitments

There were no capital commitments for the Company as at 30 June 2023 (2022: no capital commitments).

19. Contingent liabilities

There were no contingent liabilities for the Company as at 30 June 2023 (2022: no contingent liabilities).

20. Key management personnel compensation

The names and positions 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
- Simon Poidevin 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 pages 21 to 23 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 2023	72,398	7,602	80,000
Total Directors remuneration paid by the Company for the year ended 30 June 2022	72,915	7,290	80,205

b) Share and option holdings

At 30 June 2023, 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 2022	Acquisitions	Disposed	Balance at 30 June 2023
Geoff Wilson	1,268,080	-	-	1,268,080
Kate Thorley	87,184	-	-	87,184
Karina Kwan	-	-	-	-
Simon Poidevin	-	-	-	-
	1,355,264	-	-	1,355,264

Options held Directors	Balance at 30 June 2022	Acquisitions	Options exercised/disposed	Balance at 30 June 2023
Geoff Wilson	1,268,080	-	(1,268,080)	-
Kate Thorley	87,184	-	(87,184)	-
Karina Kwan	-	-	-	-
Simon Poidevin	-	-	-	-
	1,355,264	-	(1,355,264)	-

20. Key management personnel compensation (cont'd)

b) Share and option holdings (cont'd)

At 30 June 2022, 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 2021	Acquisitions	Disposed	Balance at 30 June 2022
Geoff Wilson	1,268,080	-	-	1,268,080
Kate Thorley	87,184	-	-	87,184
Karina Kwan	-	-	-	-
Simon Poidevin (appointed 7 December 2021)	-	-	-	-
Emma Rugge-Price*	-	-	-	-
	1,355,264	-	-	1,355,264

Options held Directors	Balance at 30 June 2021	Bonus issue allotment/acquisitions	Options exercised/disposed	Balance at 30 June 2022
Geoff Wilson	1,268,080	-	-	1,268,080
Kate Thorley	87,184	-	-	87,184
Karina Kwan	-	-	-	-
Simon Poidevin (appointed 7 December 2021)	-	-	-	-
Emma Rugge-Price*	-	-	-	-
	1,355,264	-	-	1,355,264

*Emma Rugge-Price resigned as Director of WAM Active Limited on 7 December 2021. On resignation, Emma held nil ordinary shares and nil options in the Company.

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.

21. 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 \$611,104 inclusive of GST (2022: \$772,385). At 30 June 2023, the balance payable to the Manager was \$51,176 Inclusive of GST (2022: \$49,354).

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.

21. 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. At 30 June 2023, there was no performance fee payable to the Manager due to the gross value of the portfolio being below the previous high-water mark (2022: 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 2023, the fee for accounting services amounted to \$46,200 inclusive of GST (2022: \$46,200) and the fee for company secretarial services amounted to \$16,500 inclusive of GST (2022: \$16,500).

Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

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.

22. Events subsequent to reporting date

Since the end of the year, the Directors declared a final fully franked dividend of 3.0 cents per share to be paid on 16 October 2023.

No other matters or circumstances have 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.

Directors' Declaration

The Directors of WAM Active Limited declare that:

- 1) The financial statements as set out in pages 28 to 52 and the additional disclosures included in the Directors' Report designated as "Remuneration Report", as set out on pages 21 to 23, 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 2023 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 29th day of August 2023

Pitcher Partners Sydney Partnership

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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 2023, 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 2023 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.

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	
<p>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.</p> <p>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).</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ Obtaining an understanding of and evaluating the design and implementation of the investment management processes and controls; ▪ Reviewing and evaluating the independent auditor's report on the design and operating effectiveness of internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodian; ▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the auditor's report relate to; ▪ 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.

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<i>Key audit matter</i>	<i>How our audit addressed the matter</i>
<p>Accuracy of Management and Performance Fees Refer to Note 8: Trade and other payables and Note 21: Related party transactions</p>	
<p>We focused our audit effort on the accuracy 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.</p> <p>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.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ Obtaining an understanding of and evaluating the design and implementation of 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 2023, 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.

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Other Information (continued)

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.

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 23 of the Directors' Report for the year ended 30 June 2023. In our opinion, the Remuneration Report of WAM Active Limited, for the year ended 30 June 2023, 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

29 August 2023



Pitcher Partners
Sydney

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Investments at fair value as at 30 June 2023

Company Name	Code	Fair Value \$	% of Gross Assets
Financials			
Keybridge Capital Limited	KBC	2,518,143	4.5%
Smartpay Holdings Limited	SMP	1,433,931	2.6%
Xpansiv Limited*	n/a	1,327,703	2.4%
AMP Limited	AMP	1,092,702	2.0%
Steadfast Group Limited	SDF	1,006,584	1.8%
Regal Partners Limited	RPL	773,169	1.4%
NIB Holdings Limited	NHF	704,333	1.3%
HHY Fund*	HHY	117,259	0.1%
DMX Corporation Limited*	n/a	15,016	0.0%
Lanyon Investment Company Limited*	n/a	13	0.0%
		8,988,853	16.1%
Consumer discretionary			
Flight Centre Travel Group Limited	FLT	3,181,845	5.7%
NextEd Group Limited	NXD	1,374,731	2.5%
Tabcorp Holdings Limited	TAH	1,132,973	2.0%
PWR Holdings Limited	PWH	1,052,746	1.9%
Collins Foods Limited	CKF	760,488	1.4%
Premier Investments Limited	PMV	550,079	1.0%
Eagers Automotive Limited	APE	469,465	0.8%
		8,522,327	15.3%
Information Technology			
NEXTDC Limited	NXT	2,054,088	3.7%
Life360 Inc.	360	1,792,095	3.2%
Megaport Limited	MP1	1,463,732	2.6%
Codan Limited	CDA	1,342,817	2.4%
Packform Pty Limited*	n/a	290,218	0.5%
		6,942,950	12.4%
Communication services			
carsales.com Limited	CAR	2,691,660	4.8%
TPG Telecom Limited	TPG	1,441,700	2.6%
REA Group Limited	REA	849,741	1.5%
oOh!media Limited	OML	805,632	1.5%
EVT Limited	EVT	345,825	0.6%
		6,134,558	11.0%

Company Name	Code	Fair Value \$	% of Gross Assets
Health care			
Fisher & Paykel Healthcare Corporation Limited	FPH	2,636,842	4.7%
Neuren Pharmaceuticals Limited	NEU	2,166,327	3.9%
Aroa Biosurgery Limited	ARX	678,828	1.2%
		5,481,997	9.8%
Industrials			
Worley Limited	WOR	1,893,221	3.4%
Close the Loop Limited	CLG	995,707	1.8%
Mainfreight Limited	MFT NZX	873,676	1.5%
Seven Group Holdings Limited	SVW	840,614	1.5%
Smartgroup Corporation Limited	SIQ	551,589	1.0%
		5,154,807	9.2%
Materials			
Bellevue Gold Limited	BGL	1,957,342	3.5%
Boral Limited	BLD	1,240,039	2.2%
Emerald Resources NL	EMR	590,289	1.1%
Burgundy Diamond Mines Limited	BDM	289,182	0.5%
Centaurus Metals Limited	CTM	237,049	0.4%
		4,313,901	7.7%
Energy			
MMA Offshore Limited	MRM	1,932,443	3.5%
Paladin Energy Limited	PDN	280,133	0.5%
		2,212,576	4.0%
Real estate			
Qualitas Limited	QAL	1,244,591	2.2%
Sunland Group Limited	SDG	47,184	0.1%
		1,291,775	2.3%
Consumer staples			
Elders Limited	ELD	586,962	1.1%
		586,962	1.1%
Total long portfolio		49,630,706	88.9%
Total cash, income receivable and net outstanding settlements		6,218,988	11.1%
Gross assets		55,849,694	

*Unlisted investment.

The total number of stocks held at the end of the financial year was 46.

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 2023) - there are currently no substantial shareholders.

On-market buy back (at 31 July 2023) - there is no current on-market buy back.

Distribution of shareholders (as at 31 July 2023)

Category	Number of shareholders	Percentage of issued capital held
1 – 1,000	241	0.1%
1,001 – 5,000	532	2.1%
5,001 – 10,000	446	4.9%
10,001 – 100,000	1,327	60.2%
100,001 and over	117	32.7%
	2,663	100.0%

The number of shareholders holding less than a marketable parcel is 165.

Twenty largest shareholders – Ordinary shares (as at 31 July 2023)

Name	Number of ordinary shares held	% of issued capital held
Interests Associated With Geoff Wilson	1,268,080	1.7%
BNP Paribas Nominees Pty Limited	999,462	1.3%
HSBC Custody Nominees (Australia) Limited	949,877	1.3%
Netwealth Investments Limited	706,548	0.9%
Mr AG Daffy & Ms KL Norman	650,812	0.9%
I & R Simpson Super Pty Limited	598,171	0.8%
Guwarra Pty Limited	586,032	0.8%
Keybridge Capital Limited	540,403	0.7%
Edington Pty Limited	461,000	0.6%
Mr R Miller	400,000	0.5%
Ichiban Superannuation Pty Limited	400,000	0.5%
Vohra Holdings Pty Limited	377,777	0.5%
Citicorp Nominees Pty Limited	371,786	0.5%
Mrs S Meats	371,014	0.5%
Mr PM Antaw & Mrs VM Antaw	312,475	0.4%
Bevels Investments & Services Pty Limited	300,000	0.4%
Bradstock Pty Limited	265,000	0.4%
Distad Pty Limited	255,000	0.4%
Betty Amsden Nominees Pty Limited	252,591	0.3%
Taveken Pty Limited	250,000	0.3%
	10,316,028	13.7%

Stock Exchange Listing

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

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