

Solid investment portfolio performance supports full year fully franked dividend

29 August 2023
ASX announcement
and media release

+17.7%*

Investment portfolio performance in the financial year 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

89.7 cps

Fully franked dividends paid since inception

8.8 cps

Profits reserve as at 31 July 2023 *before* the payment of the 3.0 cps final fully franked dividend

FY2023 Results Q&A Webinar

Tuesday 5 September 2023 at 2:30pm (Sydney time)

Register to join the investment team for our WAM Capital, WAM Microcap, WAM Research and WAM Active FY2023 Results Q&A Webinar

Register *now*

The WAM Active Limited (ASX: WAA) 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 WAM Active investment portfolio increased 17.7%*, while the Bloomberg AusBond Bank Bill Index (Cash) increased 2.9% for the financial year to 30 June 2023.

WAM Active reported an operating profit before tax of \$7.9 million (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).

The investment portfolio increased 17.7%* during the 12-month period 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. Over the same period, the Bloomberg AusBond Bank Bill Index (Cash) increased by 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.

Chairman Geoff Wilson AO said: "The WAM Active investment team has demonstrated their ability to navigate market cycles to deliver long-term investment portfolio performance by applying WAM Active's diligent and proven investment approach which has provided solid returns for over 15 years."

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 the Company's 30 June 2023 net assets, the dividend yield of WAM Active is 8.1%, with a grossed-up yield of 11.6%**.

As at 31 July 2023, the Company had 5.8 cents per share available in its profits 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 at the current level 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.

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 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.

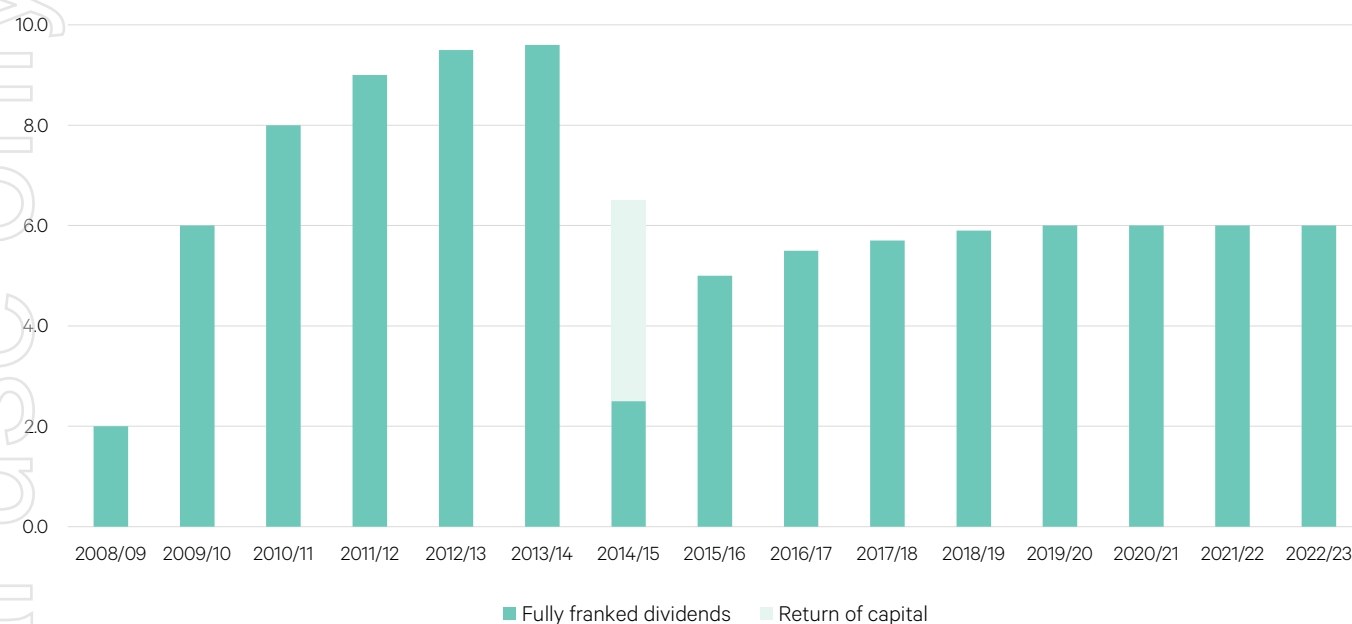
Lead Portfolio Manager Oscar Oberg said: "Over the last two years we have seen a very weak environment for equity and capital markets activity. This is highlighted by WAM Active's participation in 16 deals in FY2023 compared to 48, 35 and 24 in FY2020, FY2021 and FY2022 respectively. As we enter FY2024, we believe an eventual stabilisation in interest rates this year will give companies confidence to identify earnings accretive acquisitions or conduct capital management initiatives, which will provide more opportunities for WAM Active."

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

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

Fully franked dividends and return of capital since inception

Cents per share



Key dividend dates

Ex dividend date	3 October 2023
Dividend record date (7:00pm Sydney time)	4 October 2023
Last election date for DRP	6 October 2023
Final fully franked dividend payment date	16 October 2023

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.

Investment portfolio performance since inception

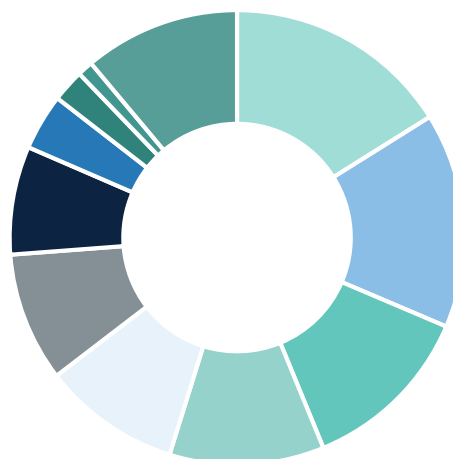
Performance as at 30 June 2023	1 yr	3 yrs	5 yrs	10 yrs	Since inception
	yr	%pa	%pa	%pa	%pa (Jan-08)
WAM Active Investment Portfolio	17.7%	5.0%	3.7%	8.7%	9.8%
Bloomberg AusBond Bank Bill Index (Cash)	2.9%	1.0%	1.2%	1.7%	2.8%
Outperformance	+14.8%	+4.0%	+2.5%	+7.0%	+7.0%
S&P/ASX All Ordinaries Accumulation 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 before expenses, fees and taxes.

Top 20 holdings with portfolio weightings As at 30 June 2023

Code	Company name	%
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%

Diversified investment portfolio by sector As at 30 June 2023



- 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 WAM Active

WAM Active (ASX: WAA) has an investment management agreement with Wilson Asset Management. Listed in January 2008, WAM Active provides investors with exposure to an active trading style with the aim of achieving a sound return with low correlation to traditional markets. The Company's investment objectives are to deliver a regular income stream via fully franked dividends, provide a positive return with low volatility, after fees, over most periods of time, and to preserve capital.

All major platforms provide access to WAM Active, including Asgard eWRAP Investment, BT Panorama, BT Wrap, Colonial First State FirstWrap, Hub24, IOOF Pursuit Select Investment Service, Macquarie Investment Manager / Consolidator, MLC Wrap IDPS and SMS, Netwealth Wrap and North Investment. WAM Active receives coverage from the following independent investment research providers:



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

**15
Years
Listed**



About Wilson Asset Management



Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years. As the investment manager for eight LICs – WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) – Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.

For more information visit www.wilsonassetmanagement.com.au or contact:

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