

# Annual General Meeting Chairman's Address

21 November 2024  
ASX announcement

## Introduction and welcome

Good afternoon and welcome to the 17<sup>th</sup> WAM Active Limited (ASX: WAA) Annual General Meeting (AGM). My name is Geoff Wilson, Chairman of the Board of Directors.

This is a hybrid meeting, held both online and in person here at the Museum of Sydney. The hybrid meeting format allows those that cannot join us in person to ask questions and actively participate. This is very important to us at Wilson Asset Management.

I acknowledge the Gadigal people of the Eora nation and pay my respects to Elders past and present.

Thank you for joining us and for your continued support of WAM Active. I am joined today by my fellow Board members, Kate Thorley, Karina Kwan and Simon Poidevin. Richard King, a representative from WAM Active's auditor, Pitcher Partners, will be available to address any questions relating to the Company's financial statements.

We are also joined by Wilson Asset Management Head of Finance Ophelia Lam, who will moderate today's meeting, and assist in addressing any questions received online or in person during the meeting.

## FY2024 in review

### Financial results

The WAM Active investment portfolio had strong absolute performance in the 2024 financial year, increasing 25.8% in the 12 months to 30 June 2024, a result of the investment team's nimble approach to identifying compelling market-driven opportunities. The investment portfolio outperformed the Bloomberg AusBond Bank Bill Index (Cash) by 21.4% and the S&P/ASX All Ordinaries Accumulation Index by 13.3%.

The investment portfolio performance contributed to a 47.2% increase in the Company's operating profit before tax of \$11.6 million (FY2023: \$7.9 million) and an operating profit after tax of \$8.3 million (FY2023: \$5.8 million) for the year.

Since inception in 2008, WAM Active has achieved an investment portfolio return of 10.8% per annum. During the same period, the Bloomberg AusBond Bank Bill Index (Cash) has increased by 2.9% per annum and the S&P/ASX All Ordinaries Accumulation Index by 5.6% per annum. This long-term investment portfolio performance has been achieved with WAM Active's diligent and proven investment approach, which takes advantage of short-term mispricing opportunities in the Australian equity market.

The Board declared a fully franked final dividend of 3.0 cents per share, bringing the FY2024 fully franked full year dividend to 6.0 cents per share. The fully franked full year dividend represents a dividend yield of 7.0% and a grossed-up dividend yield of 10.0%\* on the 31 October 2024 share price of \$0.86 per share. When calculating the yield on net assets on 31 October 2024, the dividend yield of WAM Active is 7.2%, with a grossed-up dividend yield of 10.3%\*.

As at 31 October 2024, the share price premium to NTA was 3.4%. Throughout its 17-year history, the Company's share price has traded at both premiums and discounts to its NTA.

\*Grossed-up dividend yield includes the benefits of franking credits and is based on a tax rate of 30%.

## FY2025 update and outlook

### Company update

The WAM Active investment portfolio increased 12.8% in the four months to 31 October 2024. During the same period, the Bloomberg AusBond Bank Bill Index (Cash) rose 1.5% and the S&P/ASX All Ordinaries Accumulation Index increased 6.4%.

As at 31 October 2024, the Company had 13.8 cents per share available in its profits reserve, after the payment of the FY2024 fully franked final dividend of 3.0 cents per share on 25 October 2024, representing 2.3 years of dividend coverage. In FY2025, 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 realised profits.

### Market outlook

The WAM Active investment team believe an interest rate cutting cycle will benefit the portfolio through increased capital markets activity, following a year where this was notably subdued. In the 2024 financial year only 17 deals were entered into which compares to 48 and 35 deals which the team participated in during the 2020 and 2021 financial years. Interest rates have already declined in several economies globally and if Australia follows suit, the team expects there will be more opportunities for companies to make accretive acquisitions and capital management initiatives (including initial public offerings).

As demonstrated throughout the 2024 financial year, WAM Active's investment process and flexible mandate allow the team to adapt well to all market conditions, irrespective of the economic backdrop. The team continue to deploy a market-driven process that offers investors access to an active investment strategy, leveraging equity market opportunities as they arise including corporate transactions such as takeovers and restructurings, capital raisings, block trades and discount to assets arbitrages.

### Shareholder advocacy

Shareholder advocacy on behalf of retail investors remains a priority for Wilson Asset Management. We continue to consult shareholders on important issues in an attempt to allow Australian investors to be treated equitably. Current issues include the 'sophisticated investor test', the government's proposal to tax unrealised gains on super balances over \$3 million and the Australian Prudential Regulation Authority's proposal to phase out Bank Hybrids.

### For more information

Further information on WAM Active can be found in the [FY2024 Annual Report](#) and on our [website](#).

### Thank you

Thank you for your support and for entrusting us with your capital.

## About WAM Active

WAM Active Limited (ASX: WAA) 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.

## Listed January 2008



WAM Active receives coverage from the following independent investment research providers:



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

## About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 25 years and is 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) – and the Wilson Asset Management Leaders Fund. 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 and is a significant funder of many Australian charities, providing all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.



**>\$5 billion**  
in funds under management

**>200 years**  
combined investment experience

**>25 years**  
making a difference for shareholders

**10**  
investment products

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