

November 2021 Investment Update

	Pre-tax NTA (cum-dividend)	Pre-tax NTA
W A M <i>Capital</i>	-	\$1.86
W A M <i>Leaders</i>	-	\$1.43
W A M <i>Global</i>	\$2.69	\$2.64
W A M <i>Microcap</i>	-	\$1.76
W A M <i>Alternative Assets</i>	-	\$1.20
W A M <i>Strategic Value</i>	-	\$1.29
W A M <i>Research</i>	-	\$1.20
W A M <i>Active</i>	-	\$1.00

Dear Fellow Shareholders,

Investor optimism seen in recent months was tempered in November by the Omicron coronavirus variant. In the US, Federal Reserve Chairman Jerome Powell was reappointed for a four-year term and President Joe Biden signed the USD550 billion infrastructure bill. In Europe, the onset of winter has raised concerns about increasing coronavirus cases and hospitalisations, prompting reinstated lockdowns in Austria and Germany. In local terms, major indexes closed down, with the US S&P 500 down 0.8%, the Euro Stoxx 50 Index down 4.4%, the UK FTSE 100 Index down 2.5%, Japan's TOPIX Index down 3.6% and China's CSI 300 Index down 1.6%. The weaker Australian dollar led to the MSCI World Index (AUD) closing up 3.6% for the month.

Australian equities also fell for the month on concerns that the Omicron variant would impact the economic rebound, with the S&P/ASX All Ordinaries Accumulation Index closing down 0.3% and the S&P/ASX Small Ordinaries Accumulation Index closing 0.3% lower.

WAM Vault

We have released our latest instalment on [WAM Vault](#): The next opportunity set. I hope you enjoy watching our investment team discuss how they positioned the investment portfolios throughout 2021, the opportunities they see in the current market environment and share their outlooks for 2022. I sat down with Morgans' Philip Lee to reflect on the first five months of WAM Strategic Value (ASX: WAR) and the current listed investment company landscape. Please let us know what you liked and what could be improved in this brief [survey](#).

Dania Zinurova discusses private equity

The Australian private equity industry has shown resilience through the challenges of the last two years. With plenty of capital to deploy and debt funding costs at historically cheap levels, the long-term outlook remains supportive. Access to the asset class is often seen as the exclusive domain of large institutional investors, but that isn't strictly the case.

WAM Alternative Assets (ASX: WMA) Portfolio Manager Dania Zinurova discussed the key features of the private equity asset class and how Australian investors can access it in a recent [article](#).

PM Capital Asian Opportunities Fund update

WAM Capital Limited (ASX: WAM) [announced](#) its intention to make a conditional off-market takeover bid for PM Capital Asian Opportunities Fund (ASX: PAF) (Offer) in October, with the Offer [now unconditional](#). Under the Offer, accepting PAF shareholders will receive 1 WAM Capital share for every 1.99 PAF shares they own.

Pleasingly, the Takeovers Panel declared unacceptable circumstances in relation to PAF and PM Capital Global Opportunities Fund (ASX: PGF) as a result of their Board of Directors not implementing appropriate governance protocols, acting to the detriment of a predominantly retail shareholder base. You can read more on [the ruling](#) in my interview with [The Australian](#).

Yesterday, pleasingly PAF Shareholders [voted against](#) the proposed scheme of arrangement between PAF and PGF (Failed Scheme). To date, over 200 shareholders, representing 14.4% of the PAF shareholder base, have accepted the Offer supporting WAM Capital's unconditional takeover bid over the Failed Scheme.

We all wish you and your family a safe and enjoyable festive season.

Thank you for your support.



Geoff Wilson AO
Chairman & Chief
Investment Officer



LIC snapshot



W | A | M *Capital*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAM

Share price*	\$2.22
NTA before tax	\$1.86
Fully franked full year dividend	15.5cps
Profits reserve#	19.8cps

W | A | M *Leaders*

Actively investing in the highest quality Australian companies

ASX: WLE

Share price*	\$1.48
NTA before tax	\$1.43
Annualised FY22 fully franked interim dividend guidance	8.0cps
Profits reserve#	29.8cps

W | A | M *Global*

The world's most compelling undervalued growth companies

ASX: WGB

Share price*	\$2.39
WGBO option price*	\$0.039
NTA before tax	\$2.64
Fully franked full year dividend	10.0cps
Profits reserve#	38.2cps

W | A | M *Microcap*

The most exciting undervalued growth opportunities in the Australian micro-cap market

ASX: WMI

Share price*	\$1.89
NTA before tax	\$1.76
Fully franked full year dividend [†]	12.0cps
Profits reserve#	51.7cps

W | A | M *Alternative Assets*

Unique opportunities beyond traditional assets

ASX: WMA

Share price*	\$1.04
NTA before tax	\$1.20
Annualised FY22 interim dividend guidance	4.0cps
Commencement date	14 October 2020
Profits reserve#	12.8cps

W | A | M *Strategic Value*

Discounted asset opportunities

ASX: WAR

Share price*	\$1.21
NTA before tax	\$1.29
Listing date	28 June 2021
Profits reserve#	4.6cps

W | A | M *Research*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAX

Share price*	\$1.59
NTA before tax	\$1.20
Fully franked full year dividend	9.9cps
Profits reserve#	43.5cps

W | A | M *Active*

Mispricing opportunities in the Australian market

ASX: WAA

Share price*	\$1.04
WAAOA option price*	\$0.027
NTA before tax	\$1.00
Fully franked full year dividend	6.0cps
Profits reserve#	7.8cps

*As at 13 December 2021.

[†]Includes the fully franked special dividend of 4.0 cents per share (cps).

#The profits reserve figures are as at 30 November 2021 in cents per share (cps).

W | A | M *Alternative Assets*

Unique opportunities beyond traditional assets

The WAM Alternative Assets investment portfolio increased during the month, with the Argyle Water Fund contributing to the investment portfolio performance.

On 23 November, the Bureau of Meteorology (BOM) alert system for the El Niño – Southern Oscillation reported that a La Niña event had been established. La Niña events are associated with increased probability of wetter and cooler weather conditions in eastern Australia. The BOM indicated that this event will continue to dominate the Australian climate over this summer. Record rainfall in November resulted in the aggregate Murray-Darling Basin water storages reaching 90% capacity, up from 62% a year ago. Increased availability in water allocations for this season led to spot water allocation prices falling below \$100 per mega litre, down from over \$900 per mega litre in November 2019. Despite this, the values of water entitlements in the southern Murray-Darling Basin have continued to hold strong. Water entitlements represent the legal title to receive annual allocations of water from specific water resources in perpetuity. The strong market fundamentals in the Australian agricultural sector have encouraged the owners of these assets to continue to hold them, driving increases in prices as demand outstrips supply. Through a combination of various macro and market fundamentals, a careful portfolio construction and a rigorous investment process, the Argyle Water Fund continues to generate income and capital appreciation and at the same time, is providing diversification benefits to the WAM Alternative Asset investment portfolio.

In a recent [article](#) titled *Real opportunities in real assets*, Portfolio Manager Dania Zinurova discussed benefits of investing in real assets including agriculture, timber and water, such as the diversification the asset class provides and its resilience against differing economic conditions.

Market capitalisation (ASX: WMA)

\$200.0m*

Share price

\$1.03

Gross assets

\$232.4m

Pre-tax net tangible assets

\$1.20

*Based on 194,167,007 shares on issue.

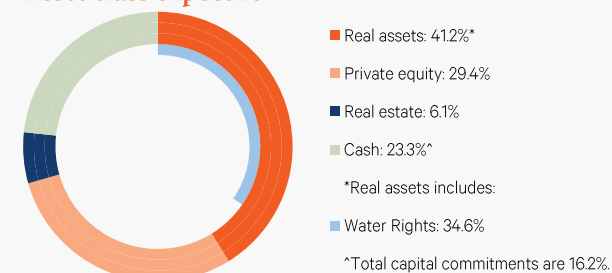
About WAM Alternative Assets

WAM Alternative Assets provides retail investors with exposure to a portfolio of real assets, private equity, real estate and aims to expand into new asset classes such as private debt and infrastructure. The Company's investment objectives are to consistently deliver absolute returns through a combination of dividend yield and capital growth, while providing diversification benefits.

Date of transition from BAF to WMA

14 October 2020

Asset class exposure



Portfolio structure	Current value		+/- Prior month	
	\$m	%	\$m	%
Real assets	95.7	41.2	1.3	1.4
Private equity	68.3	29.4	1.1	1.6
Real estate	14.2	6.1	0.4	2.9
Cash [^]	54.2	23.3	0.2	0.4
Grand total	232.4	100.0	3.0	1.3

[^]Includes capital commitments to the Palisade Diversified Infrastructure Fund (\$15.0m); the Barwon Institutional Healthcare Property Fund (\$15.0m); the Adamantem Fund 2 (\$6.2m) and the Strategic Australian Agriculture Fund (\$1.3m).

Real assets

A diversified portfolio combining agricultural assets and investments in perpetual water entitlements which can be sold or leased to irrigators to generate income.

Private equity

A diversified portfolio of unlisted companies with long-term and accelerated growth potential.

Real estate

A portfolio of domestic and international industrial and office assets.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
November 2021	119.50c	118.64c	116.01c
October 2021	117.97c	117.26c	114.86c

Top holdings

Real assets



Water Fund

Pioneer and leading non-irrigator water investor in Australia

Strategic Australian Agriculture Fund

Investing across Australian water entitlements, Australian farmland and associated businesses and Australian agricultural infrastructure

Private equity



A manufacturer of premium condiments, desserts and beverages



A provider of outsourced e-commerce solutions in South-East Asia



Shopping centre advertising campaigns



A leading developer of utility-scale battery energy storage projects in the US



Owns and operates a portfolio of hotels in Australia



Food services distributor

Real estate



2 Rector Street, Manhattan, New York

Revesby Industrial Income Fund, New South Wales

New Investment Partners



Mid-market private equity fund manager



Specialist infrastructure fund manager



Boutique real estate fund manager

W | A | M Capital

The most compelling undervalued growth opportunities in the Australian market.

The WAM Capital investment portfolio decreased during the month. A significant contributor to the investment portfolio performance included location-based services provider Life360 (ASX: 360) while IT service management company Pushpay Holdings (ASX: PPH) was a detractor.

Life360 is a family safety platform that allows parents to track the whereabouts of their children, with over 33 million users globally. The initial catalyst identified for our investment in Life360 was the appointment of Randi Zuckerberg, sister of Meta (formerly Facebook) founder, CEO and Chairman Mark Zuckerberg and our belief that the company would upgrade revenue expectations. In November, Life360 made its second hardware acquisition for the year, buying bluetooth tracking device company, Tile, for USD205 million. The combination of Life360 and Tile creates an integrated market leader in location solutions, making Life360 the only vertically integrated, cross-platform solution of scale in the market and well-placed to take advantage of the growing location solutions market. The company remains catalyst rich, including potential mergers and acquisitions and a dual listing in the US in the pipeline.

New Zealand-based Pushpay provides a church management software system to religious organisations and non-profit groups in the US, Canada, Australia and New Zealand. During the month, the company announced an earnings decline in its half year results, revising down its forecast of the underlying earnings for the year ending 31 March 2022 to between USD60 million and USD65 million, from the USD64 million to USD69 million previously announced. The company also anticipates increasing costs going forward, noting rising wages in a tight labour market. We initially invested in Pushpay due to its new management team, the shift towards digitalisation and the potential for accretive acquisitions. We have now exited our position in the company.

Market capitalisation (ASX: WAM)

\$2,003.7m[#]

Gross assets

\$1,689.6m

Listed equities

\$1,481.3m

Investment portfolio performance (pa since inception Aug 1999)

16.4%[^]

S&P/ASX All Ordinaries Accumulation Index: 8.6%

Dividends paid since inception (per share)

269.5c

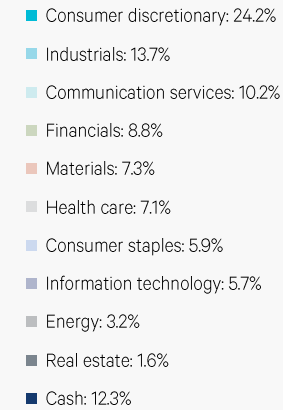
Fully franked dividend yield

7.0%[#]

[#]Based on the 30 November 2021 share price of \$2.22 per share and the FY21 fully franked full year dividend of 15.5 cents per share. WAM Capital has 902,549,193 shares on issue. During the month, 3,428,613 shares were issued as part of the PAF takeover offer.

[^]Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

Portfolio by sector



History of fully franked dividends

Cents per share



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
November 2021	186.18c	193.89c	189.98c
October 2021	188.68c	196.03c	191.67c

*Includes 1.20 cents per share of tax assets resulting from the acquisition of unlisted investment companies and 6.88 cents per share of income tax losses available to the Company in future periods.

Top 20 holdings (in alphabetical order)

Life360	ARDENT Leisure	ARISTOCRAT	ALS	ARB AXA ACCESSORIES	Accent GROUP	BRICKWORKS Limited	Breville	carsales.com ltd	Credit Corp Group
360	ALG	ALL	ALQ	ARB	AX1	BKW	BRG	CAR	CCP
CIMIC	ctm	EVENT HOSPITALITY & ENTERTAINMENT	idp	iph	MGH	PREMIER	Pinnacle	PEXA	VIVA Energy Australia
CIM	CTD	EVT	IEL	IPH	MGH	PMV	PNI	PXA	VEA

W | A | M Leaders

Actively investing in the highest quality Australian companies.

The WAM Leaders investment portfolio decreased during the month, outperforming the S&P/ASX 200 Accumulation Index. Significant contributors to the investment portfolio outperformance included gaming and entertainment group Crown Resorts (ASX: CWN) and iron ore producer Fortescue Metals Group (ASX: FMG).

During the month, Australia's largest gaming and entertainment group Crown Resorts received an acquisition proposal from US private equity firm Blackstone to acquire all shares in Crown Resorts at an increased price of \$12.50 per share. The proposal is Blackstone's third bid for Crown Resorts, following previous proposals of \$11.85 per share in March 2021 and \$12.35 per share in May 2021. We invested in, and continue to hold, Crown Resorts due to its significant leverage to the reopening of the borders, its high quality portfolio of assets, the latent value in its land portfolio and the material steps that Crown Resorts has taken in its reform journey. We also see potential for further takeover interest from The Star Entertainment Group (ASX: SGR) given the benefits of the potential combined entity including synergies, property scale and unlocking the Sydney market.

Fortescue Metals Group has underperformed the market significantly over the last six months due to declining iron ore prices, Chinese authorities cutting emissions ahead of next year's Winter Olympics and reduced demand amid a slowdown in China's property sector. During November, iron ore prices surged on the news of stronger than expected economic data from China, as well as speculation that China's steel mills are preparing for an easing of production cuts as early as December. We initially invested in Fortescue Metals Group as we believe the market's negative sentiment has far exceeded the reality of the situation in China and continue to hold the company as it offers an attractive double digit free cash flow yield, with further upside potential from current share price levels.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
November 2021	142.63c	140.60c	139.41c
October 2021	143.21c	141.36c	139.61c

Market capitalisation (ASX: WLE)

\$1,491.1m*

Gross assets

\$1,521.7m

Listed equities

\$1,445.1m

Investment portfolio performance (pa since inception May 2016)

14.9%[^]

S&P/ASX 200 Accumulation Index: 9.8%

Dividends paid since inception (per share)

27.15c

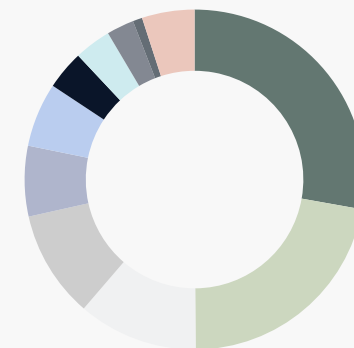
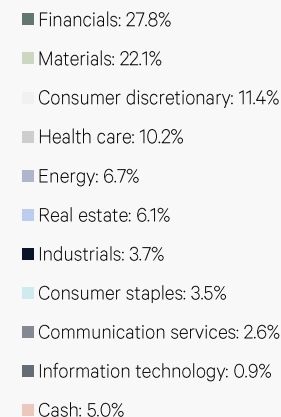
Annualised fully franked interim dividend guidance yield

5.5%*

*Based on the 30 November 2021 share price of \$1445 per share and the annualised FY22 fully franked interim dividend guidance of 8.0 cents per share. WAM Leaders has 1,031,930,879 shares on issue.

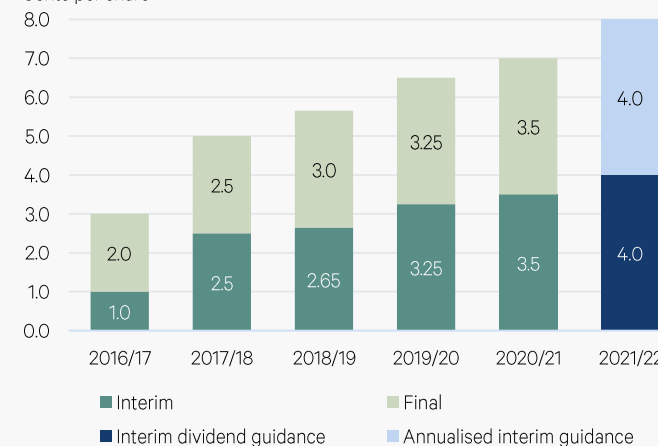
[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Portfolio by sector



History of fully franked dividends

Cents per share



Top 20 holdings (in alphabetical order)



W | A | M Global

The world's most compelling undervalued growth companies.

The WAM Global investment portfolio increased during the month, with significant contributors to the investment portfolio performance including business technology solutions provider Zebra Technologies Corporation (NASDAQ: ZBRA) and building and cold chain solutions provider Carrier Global (NYSE: CARR).

Zebra Technologies designs and manufactures enterprise mobile computing, data capture devices and specialty printers for barcode labelling and personal identification. During the month, Zebra Technologies reported strong third quarter results that exceeded the market's expectations. Its year-on-year organic net sales increased by 23.2% due to broad-based demand for Zebra Technologies' solutions which help customers automate and digitise their operations. Notably, the company improved its profit margins despite industry-wide supply chain challenges and premium freight costs. The company also raised its FY2021 guidance on the back of a robust pipeline of business. We remain positive on Zebra Technologies as the demand environment remains strong and is propelled by secular growth drivers including automation, digitisation of workflows and the on-demand economy. Zebra Technologies is the clear leader within its industry and we expect the company to continue to consolidate market share both organically and through strategic acquisitions.

Headquartered in Florida, USA, Carrier Global is a world leader in heating, air conditioning and refrigeration solutions. Towards the end of October, Carrier Global reported strong quarterly results ahead of market expectations and raised its guidance for FY2021 to the higher end of its previous range. The positive result was driven by higher volume and price realisation despite supply chain challenges impacting the company's costs and factory output. We remain constructive on the outlook for Carrier Global as the company continues to take market share and demand levels appear strong, evidenced by its high backlog of orders. We are attracted to the management team's attention to pricing, to offset inflationary pressures, and the company's cost-focused culture which can support margin expansion over the longer term.

Market capitalisation (ASX: WGB)

\$843.4m*

Gross assets

\$940.9m

Listed equities

\$884.6m

Investment portfolio performance (pa since inception June 2018)

11.8%[^]

MSCI World Index (AUD): 14.8%

Fully franked full year dividend

10.0c

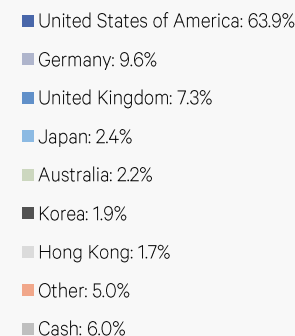
Cash weighting

6.0%

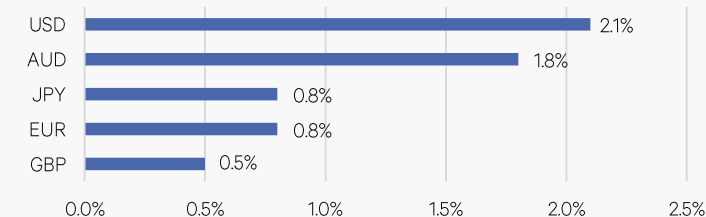
^{*}Based on the 30 November 2021 share price of \$2.41 per share and 349,955,850 shares on issue. During the month, 621,279 shares were issued under the Dividend Reinvestment Plan for the final dividend and 3,771,269 options were exercised and allotted under the Bonus Issue of Options. The options are trading under the ASX code WGBO with an exercise price of \$2.54 per option and expire on 12 September 2022.

[^]Investment portfolio performance is before expenses, fees and taxes to compares to the relevant index which is also before expenses, fees and taxes.

Portfolio by geographical exposure

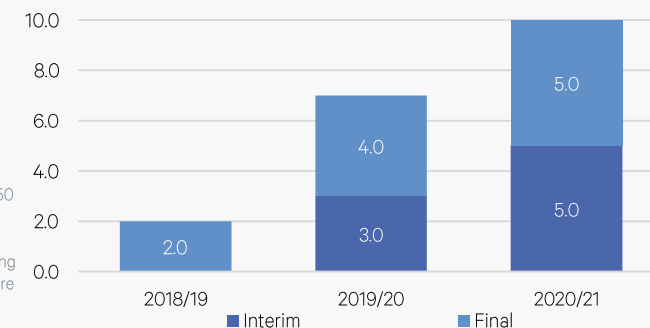


Cash currency exposure

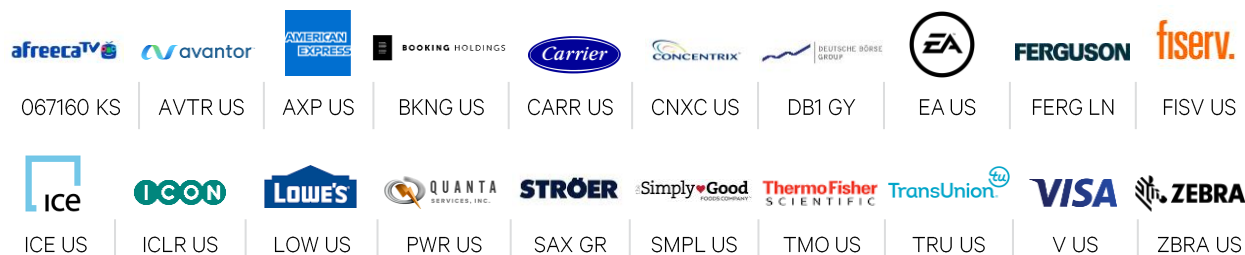


History of fully franked dividends

Cents per share



Top 20 holdings (in alphabetical order)



Net Tangible Assets (NTA) per share

The below NTA figures are **after** the fully franked final dividend of 5.0 cents per share that was paid on 26 November 2021. The shares traded ex-dividend on 19 November 2021.

	NTA before tax (cum-dividend)	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
November 2021	269.07c	264.07c	261.31c	258.61c
October 2021	269.17c	269.17c	267.08c	263.67c

The above November NTA figures are not adjusted for the 278,558,223 options on issue with an exercise price of \$2.54 per option.

WAM Global Options

W | A | M *Global*

The world's most compelling undervalued growth companies.

ASX: WGB0

WAM Global Limited (ASX: WGB) announced a one-for-one Bonus Issue of Options in February 2021, to all shareholders of the Company, at no additional cost.

Exercise price per Option:

\$2.54

Expiry date:

12 September 2022

**View and
download
the factsheet**



The WAM Global Bonus Issue of Options provides shareholders with the opportunity, but not the obligation, to purchase one additional WAM Global share for \$2.54 per Option, without paying brokerage fees. The options can be exercised at any time, until they expire on Monday 12 September 2022.

About WAM Global

WAM Global Limited (ASX: WGB), one of Australia's leading LICs, is managed by Wilson Asset Management. Listed in June 2018, WAM Global provides investors with exposure to an actively managed diversified portfolio of undervalued international growth companies. WAM Global's investment objectives are to deliver investors a stream of fully franked dividends, provide capital growth over the medium-to-long term and preserve capital.

Exercise your options

The Options can be exercised at any time until they expire on Monday 12 September 2022.

As at 30 November 2021, a total of 35,007,580 options have been exercised for a total consideration of \$88,919,246, with the remaining balance of outstanding options being 278,558,223.

EXERCISE YOUR OPTIONS >

W | A | M *Microcap*

The most exciting undervalued growth opportunities in the Australian micro-cap market.

The WAM Microcap investment portfolio increased during the month, outperforming the S&P/ASX Small Ordinaries Accumulation Index.

Significant contributors to the investment portfolio outperformance included renewable energy Bitcoin mining company Iris Energy (NASDAQ: IREN) and Infrastructure-as-a-Service (IaaS) provider Sovereign Cloud Holdings Limited (ASX: SOV).

Iris Energy is an Australian company that builds, owns and operates data centres and electrical infrastructure powered by renewable energy to sustainably mine Bitcoin. In November, Iris Energy successfully completed a USD232 million initial public offering and listed on the Nasdaq. The company plans to use the proceeds from the offering to fund its growth initiatives, including the development of data centres across Canada, the US and Asia Pacific as well as purchasing Bitcoin miners.

Sovereign Cloud is an Australian IaaS provider focused on Australian Government, Defence, Intelligence and Critical National Industry communities. On 22 November, NEXTDC (ASX: NXT), a leading provider of premium data centre facilities, acquired a 19.99% stake of the company. This will provide Sovereign Cloud with access to a national network of over 1,500 enterprise customers and more than 730 channel partners. Proceeds from the equity raising will be used to expand Sovereign Cloud's operations and facilitate a move into the enterprise space, including investing in new cloud platforms in Brisbane, Melbourne and Adelaide. Sovereign Cloud continues to see strong demand as it expands nationally, and as more businesses accelerate the transition to the cloud.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
November 2021	175.97c	171.38c	163.47c
October 2021	173.94c	169.68c	162.04c

Market capitalisation (ASX: WMI)

\$393.7m[#]

Gross assets

\$374.2m

Listed equities

\$334.4m

Investment portfolio performance (pa since inception June 2017)

25.2%[^]

S&P/ASX Small Ordinaries Accumulation Index: 11.9%

Dividends paid since inception (per share)

33.75c

Fully franked full year dividend

8.0c

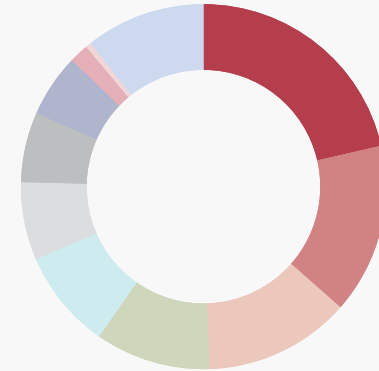
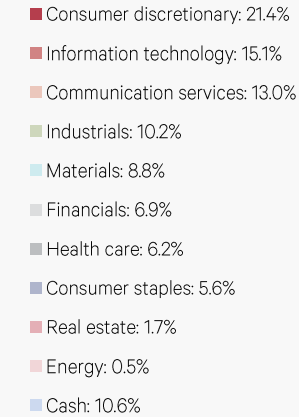
Fully franked special dividend

4.0c

[#]Based on the 30 November 2021 share price of \$1.89 per share. WAM Microcap has 208,288,344 shares on issue.

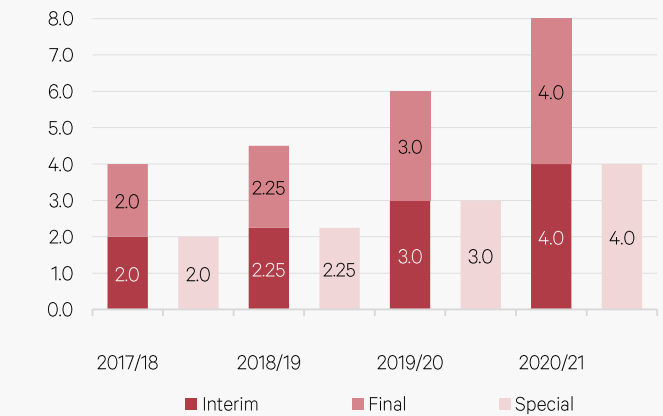
[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Portfolio by sector

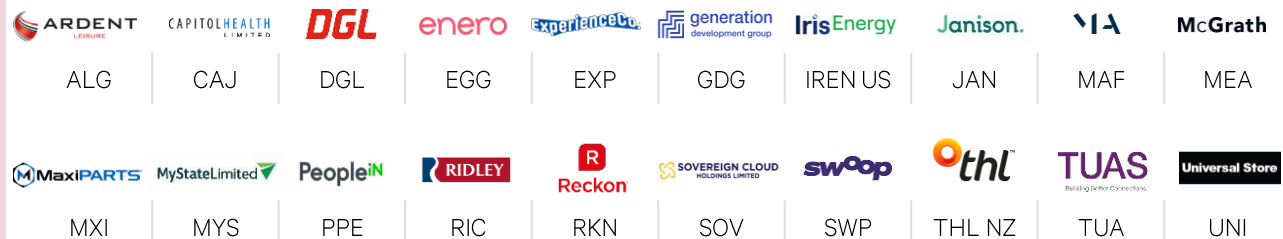


History of fully franked dividends

Cents per share



Top 20 holdings (in alphabetical order)



W | A | M Strategic Value

Discounted asset opportunities.

The WAM Strategic Value investment portfolio decreased during the month. Antipodes Global Investment Company (ASX: APL) was a contributor to the investment portfolio performance while VGI Partners Global Investments (ASX: VG1) was a detractor.

Antipodes Global Investment Company is a listed investment company that provides shareholders with exposure to an actively managed, long-short portfolio of global shares with a currency overlay. The company seeks to outperform global share markets while protecting shareholders from risk and volatility by buying undervalued companies. On 24 November, Antipodes Global Investment Company shareholders voted in favour of the Scheme of Arrangement between the company and Antipodes Global Shares (ASX: AGX1), an active exchange traded fund. The vote from shareholders saw Antipodes Global Investment Company's share price discount to net tangible assets (NTA) narrow as investors were provided clarity on their ability to exit their investments in Antipodes Global Investment Company via AGX1 at NTA, less transaction costs. The Federal Court of Australia approved the Scheme on 7 December, with the implementation date set for 17 December.

Listed in 2017, VGI Partners Global Investments provides investors with access to a concentrated portfolio, predominantly comprised of long investments and short positions in global listed securities. VGI Partners Global Investments typically invests in 10-to-25 long investments, of which 10-to-15 will be considered its core holdings. Since inception, the company has delivered shareholders considerable value. Its absolute bias approach to investing, while running at a reduced net exposure, has aided the company to outperform during market cycles and protect shareholder capital during drawdowns. In its latest annual general meeting (AGM) held during the month, a small contingent of activist investors expressed their concerns over the investment manager and the company's performance. In its Chairman's address during the event, the company confirmed that the investment manager had engaged with external advisers to assist in reviewing its approaches to address the share price discount to NTA. We believe this level of commitment from the investment manager is very positive and provides all parties with greater transparency and insight into the company's strategy to narrow the share price discount to NTA. Since the AGM, WAM Strategic Value has increased its holding in VGI Partners Global Investments, gaining access to a quality investment manager at an approximately 16% discount to its pre-tax NTA.

Market capitalisation
(ASX: WAR)

\$218.7m*

Gross assets

\$232.3m[^]

Share price

\$1.215

Pre-tax net tangible
assets

\$1.29

*Based on 180,000,001 shares on issue.

[^]Gross assets exclude the \$1.97m offer costs receivable balance associated with the Initial Public Offer (repayable by the Investment Manager).

About WAM Strategic Value

WAM Strategic Value will take advantage of market mispricing opportunities, including securities trading at discounts to assets or net tangible assets, corporate transactions and dividend yield arbitrages. WAM Strategic Value aims to deliver strong risk-adjusted returns derived from a portfolio primarily composed of discounted asset opportunities selected using the proven market-driven investment process we have developed over more than two decades.

Date of listing on the ASX

28 June 2021

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
November 2021	128.72c	129.00c	128.04c
October 2021	130.98c	131.50c	129.45c

Top holdings (in alphabetical order)

 Antipodes	 AUI	 Carlton Investments	 ELLERSTON ASIAN INVESTMENTS LIMITED	 GLOBAL DATA CENTRE GROUP	 LSF	 NAOS ASSET MANAGEMENT	 OZGROWTH
APL	AUI	CIN	EAI	GDC	LSF	NSC	OZG
 PENGANA CAPITAL	 QV Equities Ltd.	 Spheria	 T	 VGI PARTNERS Global Investments	 VGI PARTNERS Asian Investments	 W	 WESTOZ
PIA	QVE	SEC	TEK	VG1	VG8	WGB*	WIC

*WAM Strategic Value received WAM Global shares and options as scrip consideration for TGG shares held.

The most compelling undervalued growth opportunities in the Australian market.

The WAM Research investment portfolio decreased during the month. Metal supplier and distributor Vulcan Steel (ASX: VSL) was a contributor to the investment portfolio performance while online travel agency Webjet (ASX: WEB) was a detractor.

Vulcan Steel is the only pure-play, value-added steel distributor and processor in Australia and New Zealand, operating as a key link in the steel value chain between steel producers and end-users across a broad range of market segments. We initially participated in the initial public offering (IPO) of the company in November 2021 at \$7.10 per share. Vulcan Steel is a founder-led organisation and has a long-standing and highly capable leadership team with significant skin in the game. In December, the company provided a trading update, highlighting stronger than anticipated performance across all business units, resulting in an upgrade to its forecasted net profit after tax (NPAT) at the time of the IPO of 26% to 35%. Going forward, we expect growth to be underpinned by cyclical tailwinds, expansion into new products and geographies and business improvement initiatives, while opportunistic mergers and acquisitions also provide a catalyst, with Vulcan Steel well positioned to continue to lead sector consolidation.

Established in 1998, Webjet is a digital travel business spanning both global consumer markets and wholesale markets. During the month, the company released its half year report where it noted a cash surplus of \$3.5 million per month, up from \$5.5 million average monthly cash burn in FY2021. Webjet also delivered an increase in total transaction volume, revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) compared to the first half of FY2021, as global travel markets began to reopen. While the emergence of the Omicron variant has weakened this positive momentum, we continue to believe Webjet will capitalise on the recovery in the travel sector and have taken the opportunity to add to our position in the business.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
November 2021	119.61c	123.09c	119.21c
October 2021	121.12c	124.47c	120.23c

*Includes 5.67 cents per share of income tax losses available to the Company in future periods.

Market capitalisation (ASX: WAX)

\$321.0m[#]

Gross assets

\$237.8m

Listed equities

\$227.6m

Investment portfolio performance (pa since change in investment strategy July 2010)

16.3%[^]

S&P/ASX All Ordinaries Accumulation Index: 9.5%

Dividends paid since inception (per share)

124.0c

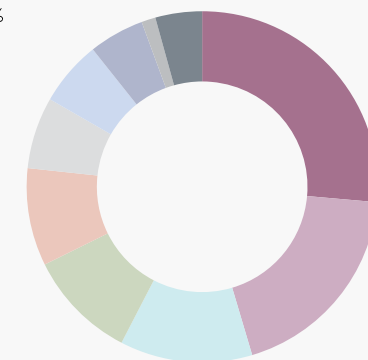
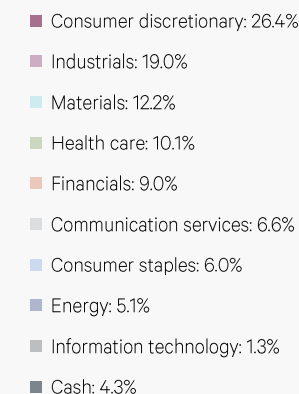
Fully franked dividend yield

6.1%[#]

[#]Based on the 30 November 2021 share price of \$1.63 per share and the FY21 fully franked full year dividend of 9.9 cents per share. WAM Research has 196,927,852 shares on issue.

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

Portfolio by sector



History of fully franked dividends



Top 20 holdings (in alphabetical order)



W | A | M *Active*

Market mispricing opportunities in the Australian market.

The WAM Active investment portfolio decreased during the month. Location-based services provider Life360 (ASX: 360) was a contributor while Tyro Payments (ASX: TYR) was a detractor to the investment portfolio performance.

Life360 is a family safety platform that allows parents to track the whereabouts of their children, with over 33 million users globally. The initial catalyst identified for our investment in Life360 was the appointment of Randi Zuckerberg, sister of Meta (formerly Facebook) founder, CEO and Chairman Mark Zuckerberg and our belief that the company would upgrade revenue expectations. In November, Life360 made its second hardware acquisition for the year, buying bluetooth tracking device company, Tile, for USD205 million. The combination of Life360 and Tile creates an integrated market leader in location solutions, making Life360 the only vertically integrated, cross-platform solution of scale in the market and well-placed to take advantage of the growing location solutions market. The company remains catalyst rich, including potential mergers and acquisitions and a dual listing in the US in the pipeline.

Tyro Payments is Australia's largest EFTPOS provider outside of the big four banks. In November, Tyro Payments' share price closed down 28.7% at \$2.88 per share, following the company's annual general meeting on 3 November 2021 where the company fell short of gross profit expectations for the year to 31 October 2021. We exited our position in Tyro in November.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
November 2021	99.69c	102.27c	102.26c
October 2021	101.41c	103.45c	103.45c

*Includes 2.63 cents per share of income tax losses available to the Company in future periods. The above November NTA figures are not adjusted for the 67,224,194 options on issue with an exercise price of \$1.10 per option.

Market capitalisation (ASX: WAA)

\$74.8m[#]

Gross assets

\$73.9m

Listed equities

\$66.0m

Investment portfolio performance (pa since inception Jan 2008)

11.9%[^]

Bloomberg AusBond Bank Bill Index (Cash): 2.9%

Dividends paid since inception (per share)

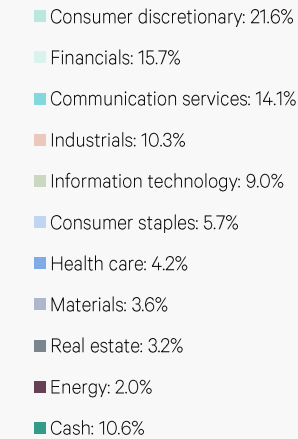
80.7c

Fully franked dividend yield

5.9%[#]

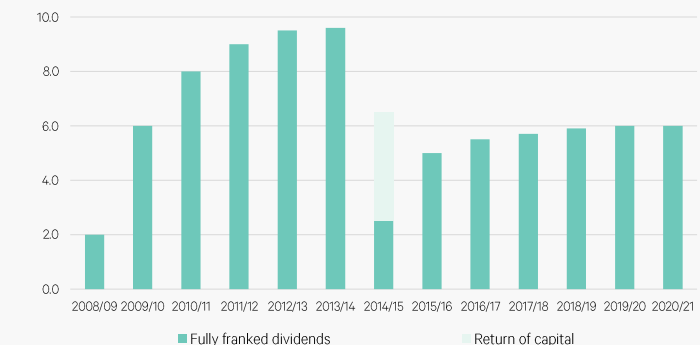
[#]Based on the 30 November 2021 share price of \$1.015 per share and the FY21 fully franked full year dividend of 6.0 cents per share. WAM Active has 73,658,389 shares on issue. During the month, 6,055 options were exercised and allotted under the Bonus Issue of Options. The options are trading under the ASX code WAAOA with an exercise price of \$1.10 per option and expire on 31 October 2022.
[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Portfolio by sector



History of fully franked dividends

Cents per share



Top 20 holdings (in alphabetical order)

Life360	ARISTOCRAT	ALS	ARB 4x4 ACCESSORIES	Breville	CAPITOLHEALTH LIMITED	carsales.com ltd	CIMIC	ctm	Data3
360	ALL	ALQ	ARB	BRG	CAJ	CAR	CIM	CTD	DTL
KEYBRIDGE	PREMIER INVESTMENTS	Pinnacle	PEXA	QV Equities Ltd.	ResMed	Steadfast HEALTHCARE INVESTMENT	SELECT HARVESTS	tpg TELECOM	TUAS Building Better Connections
KBC	PMV	PNI	PXA	QVE	RMD	SDF	SHV	TPG	TUA

WAM Active Options

ASX: WAAOA

WAM Active Limited (ASX: WAA) announced a one-for-one Bonus Issue of Options in February 2021, to all shareholders of the Company, at no additional cost.

Exercise price per Option:

\$1.10

Expiry date:

31 October 2022

**View and
download
the factsheet**



Each WAM Active Option provides holders with the opportunity, but not the obligation, to purchase one additional WAM Active Share for \$1.10 per Option, without incurring any brokerage fees.

Exercise your options

The Options can be exercised at any time until they expire on Monday 31 October 2022.

As at 30 November 2021, a total of 2,842,215 options have been exercised for a total consideration of \$3,126,435, with the remaining balance of outstanding options being 67,224,194.

About WAM Active

WAM Active Limited (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 a 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.

EXERCISE YOUR OPTIONS >