



22 August 2022

Increased fully franked full year dividend of 10.0 cents per share

+25.0%

increase in fully franked full year dividend

10.0cps

fully franked full year dividend

5.9%

fully franked dividend yield[†]

+14.7%

investment portfolio performance^{*} per annum since inception (Jun-17)

"Economic headwinds during the 2022 financial year resulted in a largely indiscriminate sell-off of small cap companies. The recent sell-off has however created compelling long-term valuation opportunities.

"In Australia, small cap companies are now trading on the cheapest valuation multiples, relative to the large cap peer group, in over 20 years. We continue to adhere to our proven investment process that has served shareholders well since inception."



WAM Microcap
Lead Portfolio Manager
Oscar Oberg

FY2022 Results Q&A Webinar

Please [register](#) to join Oscar, Tobias, Shaun, Sam and Will for our WAM Capital, WAM Microcap, WAM Research and WAM Active [FY2022 Results Q&A Webinar](#) on Tuesday 13 September at 4:15pm (Sydney time).

[REGISTER NOW](#)

The Board of Directors declared a fully franked final dividend of 5.0 cents per share, bringing the FY2022 fully franked full year dividend to 10.0 cents per share, representing a 25.0% increase on the FY2021 fully franked full year dividend.

The FY2022 fully franked full year dividend represents a fully franked dividend yield of 5.9%[†] and a grossed-up dividend yield of 8.4%[#], which have been achieved through the performance of the investment portfolio since inception and the profits reserves accumulated over time. This is consistent with the Company's investment objective of delivering investors a stream of fully franked dividends. In FY2022, the Board has not declared a special dividend due to the performance of the investment portfolio over the period. Since inception, the Company has paid 11.25 cents per share in special fully franked dividends to shareholders, as a result of the exceptional investment portfolio outperformance in the Company's first four years of operation.

As at 31 July 2022, the Company had 56.1 cents per share available in its profits reserve, before the payment of the fully franked final dividend of 5.0 cents per share. Since inception, WAM Microcap has paid 38.75 cents per share in fully franked dividends to shareholders.

The WAM Microcap Limited (ASX: WMI) investment portfolio decreased 16.8%^{*} in the 12 months to 30 June 2022, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 2.7%, which fell 19.5% during the year. The WAM Microcap investment portfolio has increased 14.7%^{*} per annum since inception in June 2017, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 9.7% per annum.

WAM Microcap Chairman Geoff Wilson AO said: "WAM Microcap's long-term investment portfolio performance has been achieved through a diligent and proven investment approach. In these uncertain times, we remain committed to this proven investment process."

The movement in the investment portfolio over the period led to an operating loss before tax of \$53.9 million for the year (FY2021: operating profit before tax of \$107.0 million) and an operating loss after tax of \$36.1 million (FY2021: operating profit after tax of \$76.1 million).

Key dividend dates

| | |
|---|-----------------|
| Ex dividend date | 4 October 2022 |
| Dividend record date (Sydney time 7:00pm) | 5 October 2022 |
| Last election date for DRP | 7 October 2022 |
| Fully franked final dividend payment date | 17 October 2022 |

[†]Based on the 19 August 2022 share price of \$1.705.

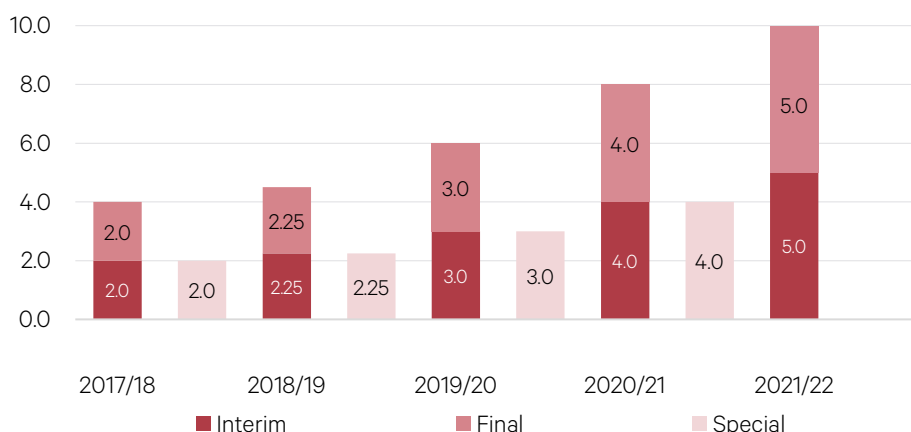
^{*}Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

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



Solid investment portfolio outperformance since inception

Increasing fully franked dividends (cents per share)



| Performance at 30 June 2022 | 1 yr | 3 yrs % pa | Since inception % pa (Jun-17) |
|---|--------------|---------------|-------------------------------|
| WAM Microcap Investment Portfolio* | -16.8% | 12.5% | 14.7% |
| S&P/ASX Small Ordinaries Accumulation Index | -19.5% | 0.4% | 5.0% |
| Outperformance | +2.7% | +12.1% | +9.7% |

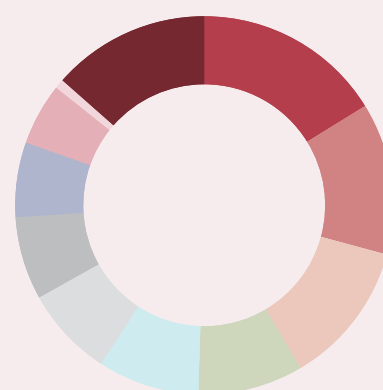
*Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Top 20 holdings with portfolio weightings as at 30 June 2022

| Code | Name | % |
|--------|--------------------------------------|------|
| PPE | People Infrastructure Limited | 3.4% |
| RIC | Ridley Corporation Limited | 3.4% |
| GDG | Generation Development Group Limited | 3.4% |
| EGG | Enero Group Limited | 2.6% |
| TUA | Tuas Limited | 2.4% |
| MRM | MMA Offshore Limited | 2.4% |
| THL NZ | Tourism Holdings Limited | 2.2% |
| DGL | DGL Group Limited | 2.2% |
| EXP | Experience Co Limited | 2.0% |
| PFP | Propel Funeral Partners Limited | 1.9% |
| AHX | Apiam Animal Health Limited | 1.9% |
| ANG | Austin Engineering Limited | 1.9% |
| DSK | dusk Group Limited | 1.8% |
| NGI | Navigator Global Investments Limited | 1.8% |
| SLH | Silk Logistic Holdings Limited | 1.8% |
| MYS | MyState Limited | 1.8% |
| CLG | Close the Loop Group Limited | 1.8% |
| CAJ | Capitol Health Limited | 1.7% |
| AFG | Australian Finance Group Limited | 1.6% |
| CVW | Clearview Wealth Limited | 1.6% |

The fair value of individual investments held at the end of the reporting period are disclosed on pages 55 to 56 of the Annual Report.

Diversified investment portfolio by sector as at 30 June 2022



- Industrials: 16.2%
- Financials: 13.0%
- Consumer discretionary: 12.3%
- Communication services: 9.0%
- Health care: 8.7%
- Materials: 7.7%
- Information technology: 7.1%
- Consumer staples: 6.4%
- Energy: 5.3%
- Real estate: 0.8%
- Cash: 13.5%

About WAM Microcap

WAM Microcap Limited (ASX: WMI) is a listed investment company (LIC) managed by Wilson Asset Management. Listed in June 2017, WAM Microcap provides investors access to a portfolio of undervalued microcap growth companies with a market capitalisation of less than \$300 million at the time of acquisition. WAM Microcap also provides exposure to relative value arbitrage and market mispricing opportunities. WAM Microcap's investment objectives are to deliver a stream of fully franked dividends, provide capital growth over the medium-to-long term and preserve capital.

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



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

For further information, visit wilsonassetmanagement.com.au or contact:

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WAM Microcap
5 Years Listed



About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 20 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 almost \$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.