

Strong investment portfolio performance drives increase in profit

2 February 2021
ASX announcement

- 77.4% increase in operating profit before tax to \$5.9 million*
- 18.6%[^] investment portfolio performance in the financial year to 31 December 2020
- 3.0 cents per share fully franked interim dividend

WAM Active achieved a 77.4% increase in operating profit before tax to \$5.9 million and a 75.1% increase in operating profit after tax to \$4.3 million in its FY2021 half year results^{*}.

The WAM Active Board of Directors has declared a fully franked interim dividend of 3.0 cents per share. The fully franked dividend has been achieved through the strong performance of the investment portfolio since inception and the profits reserve available and is consistent with the Company's investment objective of delivering investors a stream of fully franked dividends.

The Company's strong investment portfolio performance provided shareholders with a total shareholder return of 29.7% in the six months to 31 December 2020. WAM Active's investment portfolio increased 18.6%[^], with an average cash holding of 7.1% during the half year to 31 December 2020. The Bloomberg AusBond Bank Bill Index, representing the return on cash, was flat[^] and the S&P/ASX All Ordinaries Accumulation Index increased 15.7%[^] during the period. The WAM Active investment portfolio increased 7.7%[^] in the 2020 calendar year, with an average cash holding of 14.3%. The Bloomberg AusBond Bank Bill Index increased 0.4%[^], and the S&P/ASX All Ordinaries Accumulation Index rose 3.6%[^] in the 2020 calendar year.

WAM Active's investment approach provides investors with exposure to an active trading style and has led to strong investment portfolio performance throughout the Company's history. Since inception, the WAM Active investment portfolio has increased 12.0%[^] per annum, while the Bloomberg AusBond Bank Bill Index increased 3.1%[^] per annum, and the S&P/ASX All Ordinaries Accumulation Index rose 4.8%[^] per annum.

The Company has a profits reserve of 12.0 cents per share as at 31 December 2020, representing 2 years of dividend coverage, and forms part of the net tangible assets (NTA) of the Company. Since inception, WAM Active has paid 74.7 cents per share in fully franked dividends to shareholders.

The WAM Active fully franked interim dividend will be paid on Friday 28 May 2021. The record date is Wednesday 19 May 2021 and the shares will trade ex dividend on Tuesday 18 May 2021. The last election date for the Dividend Reinvestment Plan (DRP) is Friday 21 May 2021.

The DRP will be operating with a 2.5% discount for the interim dividend.

FY2021 Interim Results Webinar

Please [register](#) to join Chairman and Chief Investment Officer Geoff Wilson AO, Lead Portfolio Manager Oscar Oberg Portfolio Manager Tobias Yao, Equity Analyst Shaun Weick and Equity Analyst Sam Koch for our WAM Capital, WAM Microcap, WAM Research and WAM Active [FY2021 Interim Results Webinar](#) on Tuesday 2 February 2021 at 2:30pm (Sydney time). We encourage you to ask any questions you may have.

Investment portfolio performance since inception

as at 31 December 2020

	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Jan-08)
WAA Investment Portfolio [^]	18.6%	7.7%	8.4%	10.3%	11.0%	12.0%
Bloomberg AusBond Bank Bill Index (cash)	0.0%	0.4%	1.3%	1.5%	2.4%	3.1%
Outperformance	+18.6%	+7.3%	+7.1%	+8.8%	+8.6%	+8.9%
S&P/ASX All Ordinaries Accumulation Index	15.7%	3.6%	7.4%	9.3%	7.9%	4.8%
Outperformance	+2.9%	+4.1%	+1.0%	+1.0%	+3.1%	+7.2%

^{*}The HY2021 profit figures are unaudited. Audited half-year results will be announced to the market in February 2021.

[^]Investment portfolio performance and Index returns are before expenses, fees and taxes.

Top 20 holdings with portfolio weightings

as at 31 December 2020

Code	Company	%	Code	Company	%
KBC	Keybridge Capital Limited	8.8%	VOC	Vocus Group Limited	2.8%
AUI	Australian United Investment Company Limited	5.9%	CKF	Collins Foods Limited	2.7%
TGG	Templeton Global Growth Fund Limited	5.3%	MMS	McMillan Shakespeare Limited	2.6%
INA	Ingenia Communities Group	4.9%	PMV	Premier Investments Limited	2.4%
RHC	Ramsay Health Care Limited	4.1%	SIQ	Smartgroup Corporation Limited	2.3%
SGR	The Star Entertainment Group Limited	3.8%	SDF	Steadfast Group Limited	2.0%
PIA	Pengana International Equities Limited	3.7%	GNC	Graincorp Limited	2.0%
DOW	Downer EDI Limited	3.5%	NXL	Nuix Limited	2.0%
PDL	Pendal Group Limited	2.9%	NEC	Nine Entertainment Co. Holdings Limited	2.0%
HLS	Healius Limited	2.9%	EHL	Emeco Holdings Limited	2.0%

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

About WAM Active

WAM Active Limited 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. WAM Active'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 AMP North, BT Panorama, Colonial First State FirstWrap, Netwealth, Macquarie Wrap and Hub24. WAM Active receives coverage from the following independent investment research providers:

BELL POTTER

EL&C Baillieu
1889 ONWARD

Zenith
Investment Partners

INDEPENDENT
INVESTMENT RESEARCH

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 seven leading LICs: WAM Capital, WAM Leaders, WAM Global, WAM Microcap, WAM Alternative Assets, WAM Research and WAM Active, Wilson Asset Management invests over \$3.5 billion on behalf of more than 90,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first listed investment companies 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.

Wilson
Asset Management

OVER 20 YEARS Making a difference

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