

Share Purchase Plan

14 April 2023
ASX Announcement

SPP price

Lower of:

\$1.4749 per share⁶,

or

2.5% discount to the 5-day VWAP at the issue date⁹

6.1%³

Annualised fully franked dividend yield on 31 March 2023 NTA

40.6cps⁸

Profits reserve available at 31 March 2023, before the issue of SPP shares

35.15 cps

Fully franked dividends paid since inception

7.2%⁵

SPP discount to current share price

Share Purchase Plan

The WAM Leaders (ASX: WLE) Board of Directors has announced a Share Purchase Plan (SPP) to existing shareholders¹. The SPP provides the opportunity to acquire up to \$30,000 of fully paid ordinary shares in WAM Leaders. Shareholders who participate in the SPP will be entitled to receive the interim fully franked dividend² of 4.5 cents per share, which represents an annualised fully franked dividend yield of 6.1%³ and a grossed-up yield of 8.7%⁴ based on the estimated 31 March 2023 pre-tax net tangible asset (NTA) backing of \$1.4749 per share. The SPP provides shareholders the opportunity to purchase shares in the Company at a 7.2% discount to the current share price⁵ without incurring brokerage fees.

The SPP will be offered to existing shareholders¹ at the lower of:

- **\$1.4749 per share**⁶; or
- a **2.5% discount to the 5-day VWAP** at the issue date of 12 May 2023.

This equitable and flexible pricing structure provides WAM Leaders shareholders with value amid market uncertainty and volatility. The previous SPP announced in March 2023 was withdrawn as the WAM Leaders Board of Directors believed the heightened market volatility prevented shareholders from accessing the value the SPP originally provided.

Shareholders who participate in the SPP will be entitled to receive the interim fully franked dividend² of 4.5 cents per share on new shares issued under the offer. The interim fully franked dividend of 4.5 cents per share represents a 12.5% increase on the FY2022 interim fully franked dividend, an annualised fully franked dividend yield of 6.1%³ and a grossed-up dividend yield of 8.7%⁴, based on the estimated 31 March 2023 pre-tax NTA of \$1.4749 per share.

Shareholders will have the opportunity to apply for the SPP via an [online acceptance facility](#) that will open on Monday 17 April 2023 and close on Monday 8 May 2023. Full details, including access to the dedicated website and application instructions are available in the [SPP booklet](#) which was announced earlier today.

Chairman Geoff Wilson AO said: “The WAM Leaders investment team has generated strong investment portfolio performance for shareholders since inception. The SPP provides an equitable opportunity for shareholders to increase their exposure to the WAM Leaders investment portfolio which has outperformed over one, three and five years and since inception.”

In the 12 months to 31 March 2023, the WAM Leaders investment portfolio increased 4.8%⁷, outperforming the S&P/ASX 200 Accumulation Index by 4.7%. Since inception in May 2016, the investment portfolio has increased 14.4%⁷ per annum, outperforming the Index by 5.8% per annum.

The Company had 40.6 cents per share⁸ in its profits reserve as at 31 March 2023, representing 4.5 years of dividend coverage before the payment of the interim fully franked dividend of 4.5 cents per share. The profits reserve and dividend coverage are after the issue of new WAM Leaders shares under the placement and before the issue of new WAM Leaders shares under the SPP. The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits and it is within prudent business practices. Since inception in May 2016, WAM Leaders has paid 35.15 cents per share in fully franked dividends to shareholders. The Company’s ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax on profits.

The total number of new WAM Leaders shares that can be issued under the SPP is 329.5 million, raising a maximum of \$486.0 million, based on the estimated 31 March 2023 pre-tax NTA.

¹Shareholders on the WAM Leaders register as at 7:00pm (Sydney time) on 13 April 2023 with a registered address in Australia or New Zealand.

²Assumes shareholders continue to hold shares issued under the offer at the dividend record date on 22 May 2023.

³Based on an annualised interim fully franked dividend of 9.0 cents per share and the estimated 31 March 2023 pre-tax NTA of \$1.4749 per share.

⁴Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

⁵Based on the closing share price of \$1.59 per share on 11 April 2023 and the estimated 31 March 2023 pre-tax NTA of \$1.4749 per share.

⁶The issue price may be adjusted if required to comply with the requirements of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and the ASX Listing Rules.

⁷Investment 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.

⁸The profits reserve figure is before the interim fully franked dividend of 4.5 cents per share to be paid on 31 May 2023. The profits reserve available as at 31 March 2023 is after the issue of new WAM Leaders shares under the placement and before the issue of new WAM Leaders shares under the SPP.

⁹The issue date for new WAM Leaders shares under the SPP is 12 May 2023.

Strong investment portfolio performance and fully franked dividends

35.15cps

Fully franked dividends paid since inception

9.0cps

Annualised interim fully franked dividend

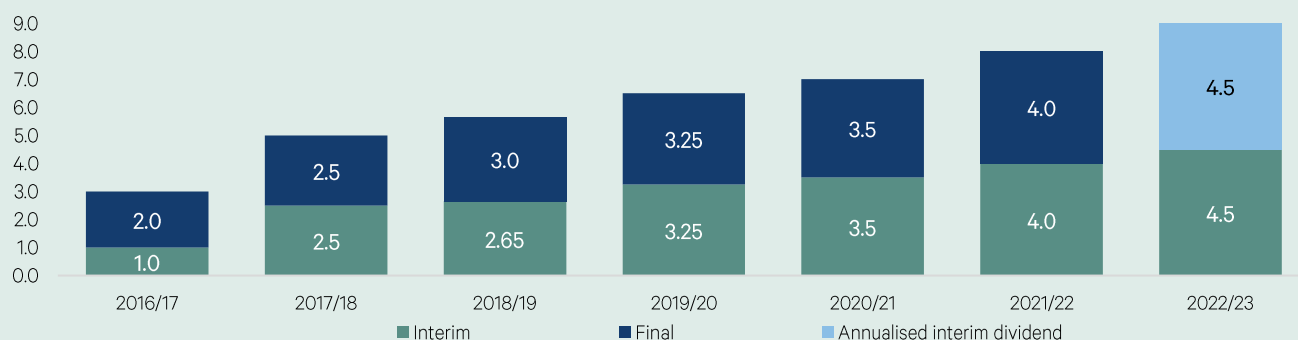
6.1%¹⁰

Annualised fully franked dividend yield on 31 March 2023 NTA

4.5 years¹¹

Dividend coverage before the issue of SPP shares

Fully franked dividends (cents per share)



Investment portfolio performance since inception

as at 31 March 2023

	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (May-16)
WAM Leaders Investment Portfolio ¹²	4.8%	26.4%	15.8%	14.4%
S&P/ASX 200 Accumulation Index	0.1%	16.5%	8.7%	8.6%
Outperformance	+4.7%	+9.9%	+7.1%	+5.8%

Key dividend dates

Ex-dividend date	19 May 2023
Dividend record date (7:00pm Sydney time)	22 May 2023
Last election date for DRP	24 May 2023
Interim fully franked dividend payment date	31 May 2023

¹⁰Based on an annualised interim fully franked dividend of 9.0 cents per share and the estimated 31 March 2023 pre-tax NTA of \$14749 per share.

¹¹Dividend coverage is before the payment of the FY2023 interim fully franked dividend of 4.5 cents per share. It is based on an annualised interim fully franked dividend of 9.0 cents per share and the profits reserve as at 31 March 2023. The profits reserve and dividend coverage are after the issue of new WAM Leaders shares under the placement and before the issue of new WAM Leaders shares under the SPP.

¹²Investment 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.

Share Purchase Plan

14 April 2023
ASX Announcement

WAM Leaders Limited (ASX: WLE) shareholders will have the opportunity to purchase a parcel of shares up to the value of A\$30,000 under a Share Purchase Plan.

Apply online at: www.wamleadersspp.com.au

Closing date: 8 May 2023

Not for distribution or release in the United States.

Share Purchase Plan fact sheet

The Share Purchase Plan (SPP) offers shareholders¹ the opportunity to acquire up to \$30,000 of fully paid ordinary shares in WAM Leaders without incurring any brokerage fees, and at a discount² to the current share price.

Purpose of the SPP

To equitably and efficiently grow the Company's assets, increase its relevance in the market and provide access to market opportunities.

Who is entitled to the SPP?

The SPP is available to existing WAM Leaders shareholders who were on the WAM Leaders register as at 7:00pm (Sydney time) on the record date of 13 April 2023 with a registered address in Australia or New Zealand.

Benefits to shareholders

The SPP will deliver benefits to shareholders beyond the opportunity for participants to purchase shares at a 7.2% discount to the current share price² without incurring brokerage fees.

The SPP will be offered to existing shareholders at the lower of:



\$1.4749 per share³, equal to the Company's estimated pre-tax NTA per share as at 31 March 2023

OR

at a 2.5% discount to the 5-day VWAP at the issue date of 12 May 2023

The WAM Leaders share price closed at \$1.59 per share on 11 April 2023 and WAM Leaders' estimated pre-tax NTA as at 31 March 2023 was \$1.4749 per share. Shareholders who participate in the SPP will be entitled to receive the interim fully franked dividend⁴ of 4.5 cents per share. The interim fully franked dividend of 4.5 cents per share represents a 12.5% increase on the FY2022 interim fully franked dividend, an annualised fully franked dividend yield of 6.1%⁵ and a grossed-up yield of 8.7%⁶ on the estimated 31 March 2023 pre-tax NTA.

The primary purpose of the capital raising is to equitably and efficiently grow the Company's assets, increase its relevance in the market, improve the prospect of broker and research coverage, garner additional interest from financial planners and provide access to market opportunities. The Company's larger capital base increases the liquidity of the shares and its relevance in the market by improving the prospect of broker and research coverage, increasing interest from financial planners and gaining additional access to market opportunities. The increased size is also expected to reduce the fixed expense ratio of the Company to the benefit of all shareholders.

Use of the additional capital



The proceeds of the additional capital will be invested in accordance with WAM Leaders' disciplined and proven investment process. WAM Leaders' investment process, which focuses on a detailed fundamental analysis, a comprehensive macroeconomic analysis and positioning analysis has led to strong investment portfolio performance throughout the Company's history. Since inception in May 2016, the WAM Leaders investment portfolio has increased 14.4%⁷ per annum as at 31 March 2023, outperforming the S&P/ASX 200 Accumulation Index by 5.8% per annum.

WAM Leaders' gross assets as at 31 March 2023 were \$1,624.6 million, 94.2% of which were allocated to equities, with the remaining 5.8% held in cash.

¹Shareholders on the WAM Leaders register as at 7:00pm (Sydney time) on 13 April 2023 with a registered address in Australia or New Zealand.

²Based on the closing share price of \$1.59 per share on 11 April 2023 and the estimated 31 March 2023 pre-tax NTA of \$1.4749 per share.

³The issue price may be adjusted if required to comply with the requirements of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and the ASX Listing Rules.

⁴Assumes shareholders continue to hold shares issued under the offer at the dividend record date on 22 May 2023.

⁵Based on an annualised interim fully franked dividend of 9.0 cents per share and the estimated 31 March 2023 pre-tax NTA of \$1.4749 per share.

⁶Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

⁷Investment 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.

Participating in the Share Purchase Plan

The WAM Leaders' share registry, Boardroom Pty Limited, will email application forms and a summary of the Offer to eligible shareholders who have email addresses on the share register.

This email will come from companies@boardroomlimited.com.au.

Printed copies will be mailed only to those shareholders who do not have email addresses on the share register. If you would like to receive an email application form earlier, please contact Boardroom directly on:

T 1300 420 372

E wilsonam@boardroomlimited.com.au.

Shareholders will also have the opportunity to apply for the SPP via an online acceptance facility at www.wamleadersspp.com.au. The online acceptance facility will open on Monday 17 April 2023 and close on Monday 8 May 2023.

Eligible shareholders should read the Share Purchase Plan booklet and related documentation in full before deciding whether to subscribe for New Shares.

Key dates

SPP Record Date (7:00pm Sydney time)	13 April 2023
Announcement and issue of SPP Terms and Conditions	14 April 2023
SPP opens	17 April 2023
SPP closes	8 May 2023
SPP results announced	11 May 2023
Issue of SPP Shares	12 May 2023
SPP Shares expected to commence trading on ASX	15 May 2023
Dividend ex date	19 May 2023
Dividend record date	22 May 2023
Dividend payment date	31 May 2023

Key terms

Eligibility

The Share Purchase Plan will be open to existing shareholders of the Company (Eligible Shareholders) who own shares in the Company as at 7:00pm (Sydney time) on the SPP Record Date of 13 April 2023 and have a registered address in Australia or New Zealand.

Issue date

The date on which SPP Shares are issued (expected to be 12 May 2023).

Issue price

The lower of \$1.4749 per share, equal to the Company's estimated pre-tax net tangible asset (NTA) per share as at 31 March 2023, or at a 2.5% discount to the 5-day VWAP at the Issue Date.

Register

The register of shareholders maintained by the Registrar.

Share Purchase Plan

A type of capital raising allowing companies to offer shares to existing investors.

SPP Record Date

7:00pm (Sydney time) on 13 April 2023.

SPP Share

A new share offered under the SPP, the terms and conditions of which are set out in the SPP booklet.

VWAP

Volume weighted average price.

About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

All major platforms provide access to WAM Leaders, 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 Leaders receives coverage from the following independent investment research providers:



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

6 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 over 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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