

W | A | M *Microcap*

Focus: micro-cap Australian companies
(ASX: WMI)

Portfolio update

The WAM Microcap investment portfolio decreased 2.0% in November. During the month, Baby Bunting (ASX: BBN) announced a trading update, reporting a 17% increase in total sales on the prior corresponding period, with expected earnings before interest, tax, depreciation and amortisation (EBITDA) of \$25 to \$27 million for FY2019. BBN has benefitted from an improved competitive environment with a number of its competitors leaving the market in the last 12 months, giving BBN a \$138 million revenue opportunity to increase its market share. Detractors to performance during the month included Generation Development Group (ASX: GDG), National Tyre and Wheel (ASX: NTD) and PSC Insurance (ASX: PSI).



Oscar Oberg
LLB BBus CFA
Lead Portfolio Manager



Martin Hickson
BBus BComp M App Fin
Lead Portfolio Manager

Net tangible asset (NTA) figures

NTA before tax	123.09c
NTA after tax and before tax on unrealised gains	122.94c
NTA after tax	121.38c

Pre-tax net tangible assets

\$1.23

Gross assets

\$177.9m

FY18 fully franked full year dividend

4.0c

FY18 fully franked special dividend

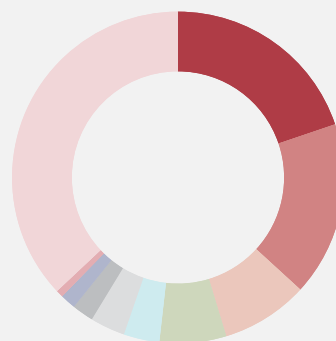
2.0c

Performance at 30 November 2018

	1 mth	Fin YTD	1 yr	Since inception %p.a. (Jun-17)
WMI Investment Portfolio	-2.0%	-3.2%	3.2%	17.3%
S&P/ASX Small Ordinaries Accumulation Index	-0.4%	-8.9%	-1.6%	8.5%
Outperformance	-1.6%	+5.7%	+4.8%	+8.8%

Investment performance and Index returns are before expenses, fees and taxes.

Portfolio composition by sector



- Consumer Discretionary: 19.8%
- Industrials: 17.0%
- Information Technology: 8.5%
- Financials: 6.5%
- Materials: 3.5%
- Health Care: 3.4%
- Telecommunication Services: 2.1%
- Consumer Staples: 1.5%
- Real Estate: 0.7%
- Cash: 37.0%

Top 20 holdings in alphabetical order

Adairs Limited	ADH
Australian Vintage Limited	AVG
Baby Bunting Group Limited	BBN
Cabcharge Australia Limited	CAB
City Chic Collective Limited	CCX
Emeco Holdings Limited	EHL
Generational Development Group Limited	GDG
Infomedia Limited	IFM
Jumbo Interactive Limited	JIN
Macquarie Media Limited	MRN
Mastermyne Group Limited	MYE
Noni B Limited	NBL
Over The Wire Holdings Limited	OTW
People Infrastructure Limited	PPE
Probiotec Limited	PBP
PSC Insurance Group Limited	PSI
QANTM Intellectual Property Limited	QIP
Reckon Limited	RKN
Spicers Limited	SRS
360 Capital Total Return Fund	TOT

Investment type	October 2018		November 2018	
	\$m	%	\$m	%
Listed equities	117.0	64.4	112.0	63.0
Short portfolio	0.0	0.0	0.0	0.0
Fixed interest & cash	64.8	35.6	65.9	37.0
Gross assets	\$181.8m	100.0	\$177.9m	100.0
Market capitalisation	\$186.9m		\$182.0m ¹	
Total shares on issue	140,530,698		140,530,698	

¹Based on the 30 November 2018 share price of \$1.295 per share.