

Strong investment portfolio performance and fully franked interim dividend

26 February 2024
ASX announcement
and media release

13.8%

Total shareholder return in the six months to 31 December 2023

+11.5%

Investment portfolio performance in the financial year to 31 December 2023[†]

7.9%

Annualised fully franked dividend yield[‡]

3.0 cps

Fully franked interim dividend FY2024

Fully franked dividends paid since inception

92.7 cps

Pre-tax NTA as at 31 December 2023

77.1 cps

Profits reserve as at 31 December 2023, before the payment of the 3.0 cps fully franked interim dividend

8.8 cps

Q&A Webinar

Tuesday, 12 March 2024 at 2:00pm (Sydney time)

Register to join the investment team for our WAM Capital, WAM Microcap, WAM Research and WAM Active FY2024 Interim Results Q&A Webinar

[Register now](#)

The WAM Active Limited (ASX: WAA) investment portfolio outperformed the market for the six months to 31 December 2023, increasing 11.5%*, while the Bloomberg AusBond Bank Bill Index (Cash) was up 2.1% and the S&P/ASX All Ordinaries Accumulation Index rose 8.0% for the period.

The WAM Active Board of Directors declared a fully franked interim dividend of 3.0 cents per share, representing an annualised fully franked dividend yield of 7.9%[‡] and a grossed-up dividend yield of 11.3%^{††} including franking credits.

Chairman Geoff Wilson AO said, "As a result of their exceptional stock-picking in a challenging market, the WAM Active investment team have achieved strong absolute investment portfolio performance during the period and continued to deliver returns for shareholders."

The total shareholder return for WAM Active was 13.8% for the six months to 31 December 2023. WAM Active's share price increased during the period from \$0.67 to \$0.73. Together with the fully franked final dividend of 3.0 cents per share paid in October 2023, this contributed to the total shareholder return and a narrowing of the share price discount to net tangible assets (NTA). At the end of the period, the share price discount to NTA had narrowed to 6.0%.

The Board's decision to maintain the fully franked interim dividend of 3.0 cents per share was made having consideration to the high annualised pre-tax dividend yield (including franking credits) of 11.1%^{††} on the Company's net assets and the focus on providing shareholders a combination of capital growth and income returns. Over the past 12 months, the investment portfolio increased 21.3%*, outperforming the Bloomberg AusBond Bank Bill Index (Cash) by 17.4% and the S&P/ASX All Ordinaries Accumulation Index by 8.3%. Since inception, the investment portfolio increased 10.3%*, outperforming the Bloomberg AusBond Bank Bill Index (Cash) by 7.5% and the S&P/ASX All Ordinaries Accumulation Index by 4.8%.

The Company has 1.5 years of dividend coverage, supported by the profits reserve of 8.8 cents per share as at 31 December 2023, before the payment of the fully franked interim dividend of 3.0 cents per share. Since inception, WAM Active has paid 92.7 cents per share in fully franked dividends to shareholders.

The investment portfolio performance contributed to the operating profit before tax of \$5.6 million and the operating profit after tax of \$4.0 million.

The Company's ability to continue paying fully franked dividends at the current level is dependent on generating additional profits reserves, through positive investment portfolio performance and franking credits. The ability to generate franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on profits.

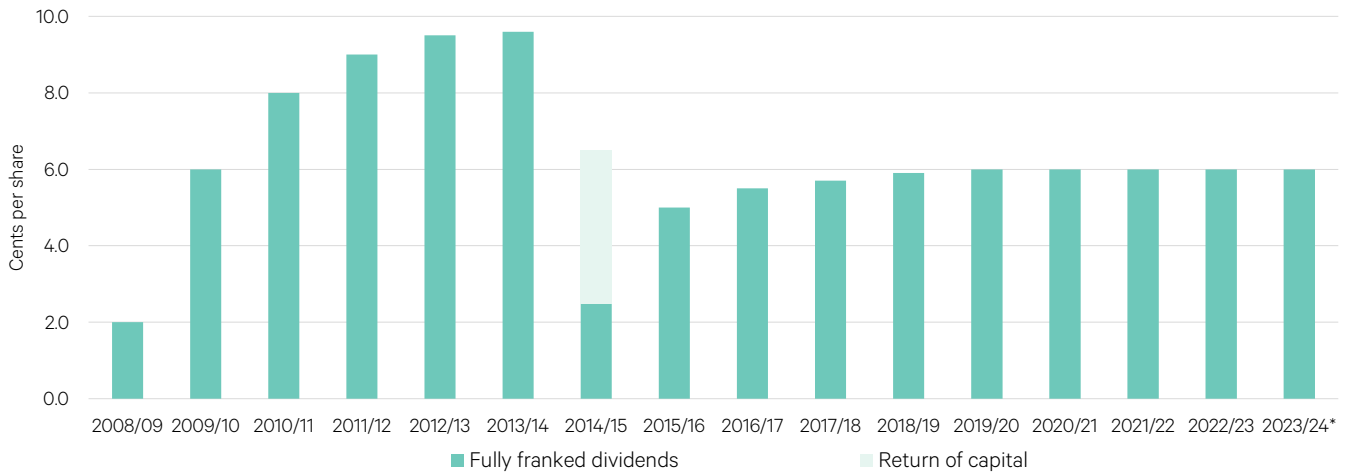
[†]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are also before expenses, fees and taxes.

[‡]Based on the 23 February 2024 share price of \$0.76 per share.

^{††}Pre-tax dividend yield and grossed-up dividend yield include the benefit of franking credits and are based on a tax rate of 30.0%.

Lead Portfolio Manager Oscar Oberg said, “Pleasingly, over the last few months we have seen a stronger market leading to a more positive environment for equity and capital markets. Given a buoyant equity market, we have taken the opportunity to invest in companies which we believe will make positive announcements in 2024 on earnings accretive acquisitions or balance sheet repair. We believe an eventual stabilisation in interest rates will give companies more confidence to make acquisitions or conduct capital management initiatives, such as IPOs, which will provide more investment opportunities for WAM Active.”

Fully franked dividends since inception



*Annualised fully franked interim dividend

Key dividend dates

Ex dividend date	15 April 2024
Dividend record date (7:00pm Sydney time)	16 April 2024
Last election date for DRP	18 April 2024
Payment date	26 April 2024

The Dividend Reinvestment Plan (DRP) is in operation and the recommended fully franked interim dividend of 3.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the volume weighted average market price (VWAP) of shares sold on the ASX over the four trading days commencing on the ex dividend date for the relevant dividend. The DRP will operate without a discount for the interim dividend.

Investment portfolio performance since inception

Performance as at 31 December 2023	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Jan-08)
WAM Active Investment Portfolio	11.5%	21.3%	2.9%	7.4%	8.6%	10.3%
Bloomberg AusBond Bank Bill Index (Cash)	2.1%	3.9%	1.7%	1.4%	1.8%	2.8%
Outperformance	+9.4%	+17.4%	+1.2%	+6.0%	+6.8%	+7.5%
S&P/ASX All Ordinaries Accumulation Index	8.0%	13.0%	8.9%	10.7%	8.2%	5.5%
Outperformance	+3.5%	+8.3%	-6.0%	-3.3%	+0.4%	+4.8%

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are before expenses, fees and taxes.

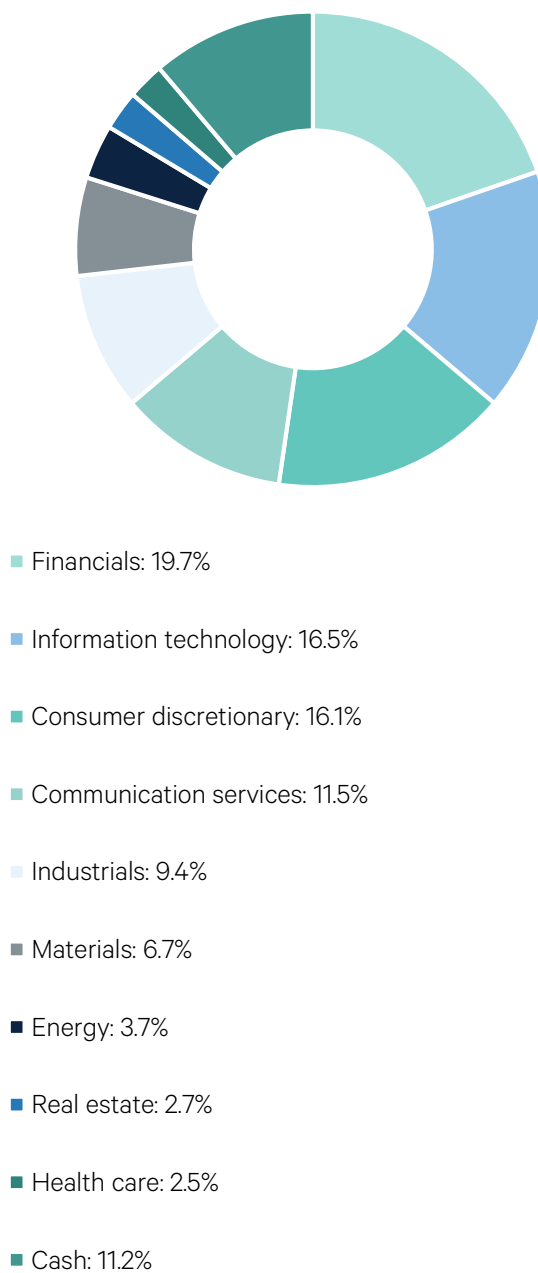
Top 20 holdings with portfolio weightings

As at 31 December 2023

Code	Company name	%
KBC	Keybridge Capital limited	7.0%
360	Life360 Inc.	6.7%
HUB	Hub24 Limited	3.9%
NXT	NEXTDC Limited	3.5%
WOR	Worley Limited	3.3%
NCK	Nick Scali Limited	2.9%
CAR	CAR Group Limited	2.9%
NWS	News Corp Limited	2.8%
OML	oOh!media Limited	2.8%
SDR	Siteminder Limited	2.8%
HVN	Harvey Norman Holdings Limited	2.6%
ABB	Aussie Broadband Limited	2.5%
SMP	Smartpay Holdings Limited	2.4%
BGL	Bellevue Gold Limited	2.3%
CTT	Cettire Limited	2.2%
SVW	Seven Group Holdings Limited	2.1%
BLD	Boral Limited	2.1%
MRM	MMA Offshore Limited	2.1%
CKF	Collins Foods Limited	2.1%
PMV	Premier Investments Limited	2.0%

Diversified investment portfolio by sector

As at 31 December 2023



About WAM Active

WAM Active (ASX: WAA) provides investors with exposure to an active trading style with the aim of achieving a sound return with 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.

All major platforms provide access to WAM Active, 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.

Listed
January 2008



WAM Active receives coverage from the following independent investment research providers:



BELL POTTER



ORD MINNETT

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

About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years and is 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) - and the Wilson Asset Management Leaders Fund. Wilson Asset Management invests over \$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.



\$5 billion

in funds under management

>200 Years

combined investment experience

+25 Years

making a difference for shareholders

10

investment products

For more information visit www.wilsonassetmanagement.com.au or contact:

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