

## Solid investment portfolio performance drives strong increase in fully franked interim dividend

15 February 2024  
ASX announcement  
and media release

### 2.25 cps

Fully franked interim dividend FY2024

### +50%

Increase in fully franked interim dividend FY2024

### 4.3%

Annualised fully franked interim dividend yield FY2024\*

### 9.3%

Total shareholder return in the six months to 31 December 2023

Look-through NTA as at 31 January 2024<sup>#</sup>

## \$1.42

Pre-tax NTA as at 31 January 2024

## \$1.22

Profits reserve as at 31 January 2024, before the payment of the 2.25 cps fully franked interim dividend

## 12.3 cps

### Q&A webinar

Wednesday,  
21 February 2024  
3:30pm (Sydney time)

Join Chairman and Lead Portfolio Manager Geoff Wilson AO, Wilson Asset Management Chief Financial Officer Jesse Hamilton and Investment Specialist Martyn McCathie for an update on WAM Strategic Value.

[Register now](#)

The WAM Strategic Value Limited (ASX: WAR) Board of Directors is pleased to declare a fully franked interim dividend of 2.25 cents per share, a 50% increase on the FY2023 fully franked interim dividend and surpassing previous dividend guidance provided to shareholders.

The FY2024 fully franked interim dividend represents an annualised fully franked dividend yield of 4.3% and an annualised grossed-up dividend yield of 6.1%\*\* based on the 14 February 2024 share price. The FY2024 fully franked interim dividend is consistent with the Company's investment objective of delivering investors a stream of fully franked dividends.

The Board decided to increase the FY2024 fully franked interim dividend to 2.25 cents per share, surpassing previous dividend guidance, as a result of WAM Strategic Value's strong investment portfolio performance in the financial year to 31 January 2024 of 8.2%<sup>†</sup>. The investment portfolio increased 2.8%<sup>†</sup> in January 2024, outperforming the S&P/ASX All Ordinaries Accumulation Index which rose 1.1%.

At the end of the period, the share price discount to net tangible assets (NTA) had narrowed to 12.5%, from 16.8% at the start of the period. The 31 December 2023 NTA was \$1.19 while the look-through NTA was \$1.39<sup>#</sup>. At 31 January 2024, the NTA of the company had increased to \$1.22 and the look-through NTA to \$1.42<sup>#</sup>.

WAM Strategic Value reported an operating profit before tax of \$8.0 million and an operating profit after tax of \$6.4 million in its FY2024 interim result. As at 31 January 2024, the Company's profits reserve was 12.3 cents per share, before the payment of the fully franked interim dividend of 2.25 cents per share, representing 2.7 years of dividend coverage.

Chairman and Lead Portfolio Manager Geoff Wilson AO said: "Since listing in 2021, we have been focused on delivering investment portfolio performance, enabling the Board to deliver the strong increase in the fully franked interim dividend."

"We are confident and remain focused on actively closing the share price discount to NTA by leveraging our experience in managing listed investment companies (LICs) and utilising effective engagement and communication strategies. We continue to grow our profits reserve, allowing us to pay a stream of fully franked dividends to WAM Strategic Value shareholders," Mr Wilson said.

Total shareholder return (TSR) for the six months was 9.3%, driven by the narrowing of the share price discount to NTA and the investment portfolio performance of 5.3%<sup>†</sup> during the period. The TSR is inclusive of the FY2023 fully franked final dividend of 2.0 cents per share paid in October 2023. This measure does not value the potential benefit of franking credits distributed to shareholders through fully franked dividends.

\*Based on the 14 February 2024 share price of \$1.04 per share.

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

†Investment portfolio performance is before expenses, fees and taxes.

#The Australian Accounting standards require the Company's pre-tax NTA to be calculated based on the market price (or share price) of the underlying investment portfolio. The Company's look-through pre-tax NTA is an estimation of the Company's pre-tax NTA calculated using the estimated or most recently available pre-tax NTA of the underlying investment portfolio as at the end of the month where available. The look-through pre-tax NTA of the Company is indicative only and provides an estimate for investors of the value of the underlying investment portfolio, assuming the share price discount to NTA of the underlying discounted asset opportunities are closed.

Mr Wilson said, “The WAM Strategic Value investment portfolio demonstrated defensive characteristics during what was a challenging period for equity markets. It is pleasing to see the underlying holdings in the portfolio performing positively. In particular, our direct discount investment in Global Data Centre (ASX: GDC) has returned 21.8% and our discount capture investment in Magellan Global Fund (ASX: MGF) has returned 18.3% over the period.

“We have selectively deployed our cash during the period and taken substantial positions in a number of companies, including QV Equities (ASX: QVE), VGI Partners Global Investments (ASX: VG1), Salter Brothers Emerging Companies (ASX: SB2) and GDC.

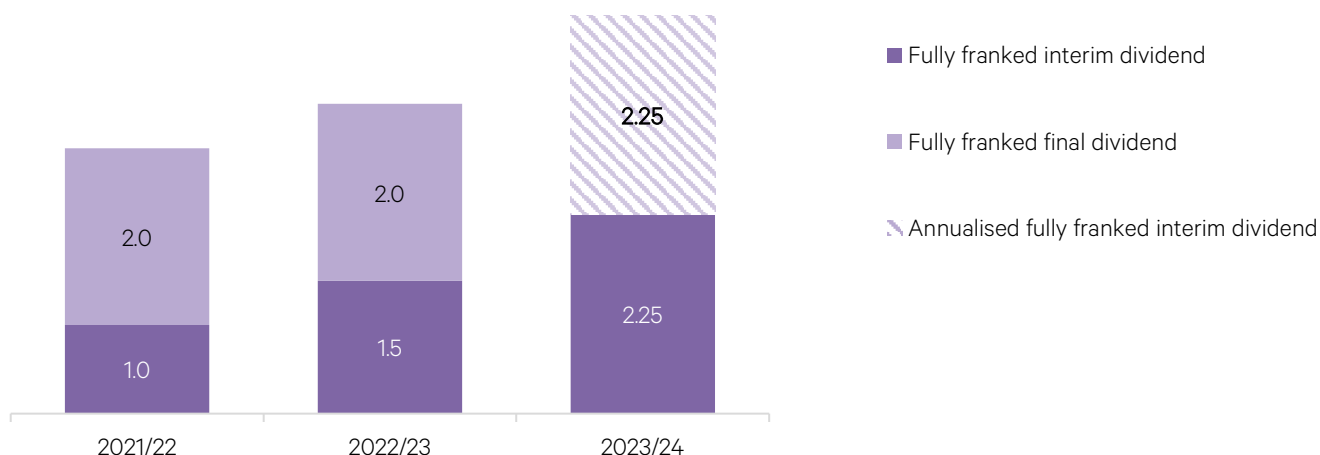
“In 2024, we anticipate continued activism and corporate activity, including restructures and capital management initiatives, which will drive a narrowing of share price discounts to NTA. The listed investment company sector was impacted by overall equity market volatility during 2023. We have seen these cycles before over the course of the sector’s 156-year history, and these fluctuations always provide exciting opportunities for discerning investors to acquire assets at a discount to NTA. We expect further consolidation of LICs and listed investment trusts that have failed to properly engage with their shareholders. We believe the sector will emerge from this period stronger with a solid platform for growth,” Mr Wilson said.

### Investment portfolio performance since inception

Performance as at 31 January 2024	Fin YTD	1 yr	Since inception %pa (Jun-21)
WAM Strategic Value Investment Portfolio	8.2%	12.1%	3.3%

Investment portfolio performance is before expenses, fees and taxes.

### Fully franked dividends (cents per share)



### Key dividend dates

Ex-dividend date	<b>2 May 2024</b>
Dividend record date (7:00pm Sydney time)	<b>3 May 2024</b>
Last election date for DRP	<b>7 May 2024</b>
Payment date	<b>30 May 2024</b>

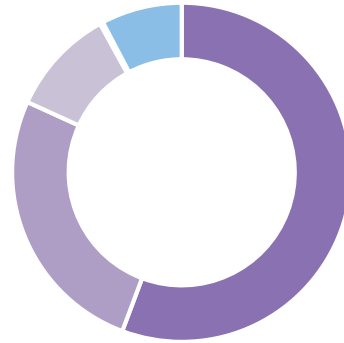
The Dividend Reinvestment Plan (DRP) is in operation and the recommended fully franked interim dividend of 2.25 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the aggregate price of shares purchased on-market, less brokerage costs and other costs, divided by the number of shares purchased. The Company will have up to 10 trading days in which to procure shares on-market for all shareholders participating in the Plan. If the Company cannot cause sufficient existing shares to be acquired on-market within this time frame, the remainder of the dividend will either be applied towards the issue of new shares or given to the shareholder in cash. The DRP will operate without a discount for the fully franked interim dividend.

**Top 20 holdings with portfolio weightings  
As at 31 December 2023**

Code	Company Name	%
WGB*	WAM Global Limited	16.9%
QVE	QV Equities Limited	14.6%
VG1	VGI Partners Global Investments Limited	13.3%
PIA	Pengana International Equities Limited	8.7%
MGF	Magellan Global Fund	7.8%
GDC	Global Data Centre Group	6.0%
RG8	Regal Asian Investments Limited	5.6%
NSC	NAOS Small Cap Opportunities Company Limited	3.5%
OPH	Ophir High Conviction Fund	2.4%
AMP	AMP Limited	1.9%
CIN	Carlton Investments Limited	1.6%
SB2	Salter Brothers Emerging Companies Limited	1.4%
URF	US Masters Residential Property Fund	1.2%
PAI	Platinum Asia Investments Limited	1.1%
PMC	Platinum Capital Limited	0.8%
SEC	Spheria Emerging Companies Limited	0.8%
LRK	Lark Distilling Co. Limited	0.7%
CD3	CD Private Equity Fund III	0.7%
CD2	CD Private Equity Fund II	0.6%
NGE	NGE Capital Limited	0.5%

\*WAM Strategic Value received WAM Global shares as scrip consideration for Templeton Global Growth Fund shares previously held. Wilson Asset Management has foregone management fees on the portion of the investment portfolio held in WAM Global shares.

**Diversified investment portfolio by listed investment company/trust (LIC/LIT) sector  
As at 31 December 2023**



■ LIC/LIT Global Equities:	55.7%
■ LIC/LIT Domestic Equities:	26.1%
■ Direct Discount Asset:	10.2%
■ LIC/LIT Fixed Interest:	0.3%
■ Cash and Cash Equivalents:	7.7%

## About WAM Strategic Value

WAM Strategic Value Limited (ASX: WAR) became Wilson Asset Management's eighth listed investment company (LIC) in June 2021. WAM Strategic Value provides shareholders with exposure to Wilson Asset Management's proven investment process focused on identifying and capitalising on share price discounts to underlying asset values focusing on listed investment companies (LICs) and listed investment trusts (LITs) (commonly referred to as closed-end funds).

All major platforms provide access to WAM Strategic Value, 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  
June 2021



WAM Strategic Value receives coverage from the following independent investment research providers:

**BELL POTTER**

**INDEPENDENT**  
INVESTMENT RESEARCH

**ORD MINNETT**

This announcement has been authorised by the Board of WAM Strategic Value 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](http://www.wilsonassetmanagement.com.au) or contact:

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