

W | A | M Research

Focus: small to mid-cap Australian companies
(ASX: WAX)

Portfolio update

The WAM Research investment portfolio rose 2.9% in August. During the month, Seven West Media (ASX: SWM) announced its full year result, reporting underlying earnings before interest and tax (EBIT) of \$236 million, at the upper end of \$220-240 million guidance, with shares in SWM closing up 21.1% for the month. Other positive contributors to the portfolio included Specialty Fashion Group (ASX: SFH), Mayne Pharma Group (ASX: MYX), Jumbo Interactive (ASX: JIN) and Accent Group (ASX: AX1).



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Lead Portfolio Manager

Net tangible asset (NTA) figures

| | |
|---|----------------|
| NTA before tax | 132.10c |
| NTA after tax and before tax on unrealised gains | 131.59c |
| NTA after tax | 127.38c |

Key dividend dates

| Ex dividend date | Record date | Last election date for DRP | Payment date |
|------------------|-------------|----------------------------|--------------|
| 12 October | 15 October | 17 October | 26 October |

Pre-tax net tangible assets

\$1.32

Gross assets

\$250.0m

Fully franked dividend yield[^]

5.7%

Performance (p.a. since July 2010)

18.2%

| Performance at 31 August 2018 | 1 mth | Fin YTD | 1 yr | 3 yrs %pa | 5 yrs %pa | 7 yrs %pa | Since change in investment strategy %pa (Jul-10) |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--|
| WAX Investment Portfolio | 2.9% | 3.6% | 16.5% | 16.5% | 17.4% | 19.3% | 18.2% |
| S&P/ASX All Ordinaries Accumulation Index | 1.7% | 3.0% | 16.0% | 11.8% | 9.2% | 10.3% | 9.6% |
| Outperformance | +1.2% | +0.6% | +0.5% | +4.7% | +8.2% | +9.0% | +8.6% |

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

Fully franked dividends since inception



Top 20 holdings in alphabetical order

| | |
|--|-----|
| Adairs Limited | ADH |
| APN Outdoor Group Limited | APO |
| AUB Group Limited | AUB |
| Accent Group Limited | AX1 |
| Bapcor Limited | BAP |
| Corporate Travel Management Limited | CTD |
| Emeco Holdings Limited | EHL |
| FlexiGroup Limited | FXL |
| IPH Limited | IPH |
| Lifestyle Communities Limited | LIC |
| MACA Limited | MLD |
| Mayne Pharma Group Limited | MYX |
| Noni B Limited | NBL |
| Pacific Current Group Limited | PAC |
| Pinnacle Investment Management Group Limited | PNI |
| PSC Insurance Group Limited | PSI |
| Reece Limited | REH |
| Scottish Pacific Group Limited | SCO |
| Service Stream Limited | SSM |
| Seven West Media Limited | SWM |

| Investment type | July 2018 | | August 2018 | |
|-----------------------|-----------------|--------------|-----------------|--------------|
| | \$m | % | \$m | % |
| Listed equities | 189.9 | 78.0 | 191.9 | 76.7 |
| Fixed interest & cash | 53.5 | 22.0 | 58.1 | 23.3 |
| Gross assets | \$243.4m | 100.0 | \$250.0m | 100.0 |
| Market capitalisation | \$295.8m | | \$316.5m | |
| Total shares on issue | 188,406,337 | | 188,406,337 | |

[^]Based on the 31 August 2018 share price of \$168 per share and the FY18 fully franked full year dividend of 9.5 cents per share.