

Investment Update

October 2024

W|A|M Capital ASX: WAM

The most compelling undervalued growth opportunities in the Australian market.



Net Tangible Assets (NTA) per share before tax

	NTA (cum-dividend)	NTA (ex-dividend)	Dividend paid
October 2024	159.91c	152.16c	7.75c
September 2024	159.02c		

The October NTA (ex-dividend) is after the final dividend of 7.75 cents per share, partially franked at 60%, that was paid on 31 October 2024. The shares traded ex-dividend on 21 October 2024.

The net current and deferred tax asset/(liability) position of the Company for October 2024 is 11.37 cents per share. This includes 1.62 cents per share of tax assets resulting from the acquisition of investment companies and 15.12 cents per share of income tax losses available to the Company in future periods.

Dividend highlights

15.5c

Full year dividend, 60% franked (per share)

316.0c

Dividends paid since inception (per share)

448.8c

Dividends paid since inception, when including the value of franking credits (per share)

10.4%

Dividend yield*

13.1%

Grossed-up dividend yield*

15.7c

Profits reserve (per share)

Assets

\$1.7bn

Investment portfolio performance[^] (pa since inception August 1999)

15.5%


S&P/ASX All Ordinaries Accumulation Index:
8.6%


Month-end share price (at 31 October 2024)

\$1.485

*Based on the 31 October 2024 share price and the FY24 full year dividend of 15.5 cents per share, partially franked at 60%. Grossed-up dividend yield includes the benefits of franking credits and is based on a tax rate of 30%.

[^]Investment 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.

[Oscar Oberg and Tobias Yao give a small to mid-cap update](#) 

[Small to mid-cap team in our latest 'Talking Stocks' episode](#) 

The WAM Capital (ASX: WAM) investment portfolio increased during the month, outperforming the S&P/ASX All Ordinaries Accumulation Index. Asset manager HMC Capital (ASX: HMC) and payment specialist Zip Co (ASX: ZIP) were contributors to the investment portfolio performance.



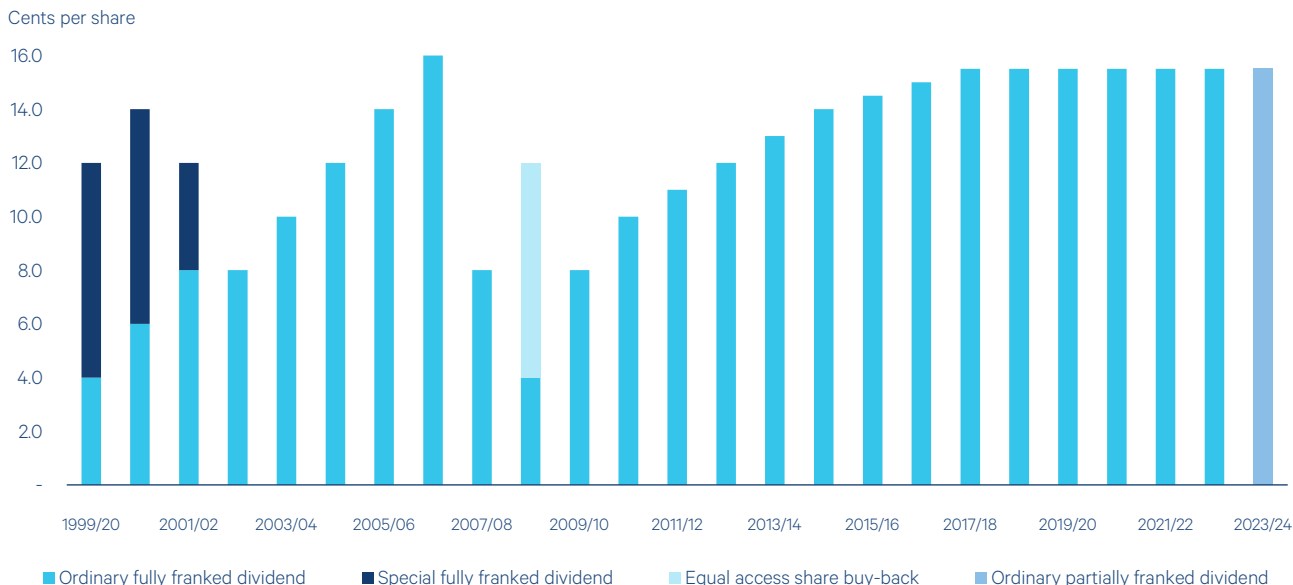
ASX-listed alternative asset manager HMC Capital completed a \$300 million institutional capital raise to invest in the \$1.9 billion purchase of Sydney data centre owner Global Switch Australia. The data centre will be a seed asset for its new Global DigiCo Platform. There is currently strong demand from investors seeking exposure to high quality digital infrastructure assets and as a result, the placement was oversubscribed. Global Switch has significant growth opportunities with a large-scale development pipeline to expand its existing IT capacity. We believe this acquisition provides solid exposure to the burgeoning data centre market. HMC Capital's management team is also looking at further data centre opportunities in the US and we expect these acquisitions, along with Global Switch, to drive earnings and valuation growth over the coming years.



Buy now pay later payment specialist Zip Co's share price has more than doubled over the past six months. We believe much of this outperformance has been driven by Zip Co's US business which continues to take market share. Zip Co recently delivered strong quarterly earnings with the US business beating expectations and up 43% for the quarter. The company also processed \$2.8 billion in transactions over the September quarter, up 22.8% on the first quarter of last year. We think Zip Co will be a beneficiary of interest rate cuts in Australia with consumer sentiment, spending and credit quality likely to improve. We continue to see strong momentum in the business and see the potential for further earnings upgrades over the course of the year.

Dividends since inception

The Board declared a final dividend of 7.75 cents per share, partially franked at 60%, paid on 31 October 2024. The Company's ability to continue paying franked dividends at the current level is dependent on generating additional profits reserves, through positive investment portfolio performance in FY2025, and franking credits. The ability to generate additional franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on realised profits.



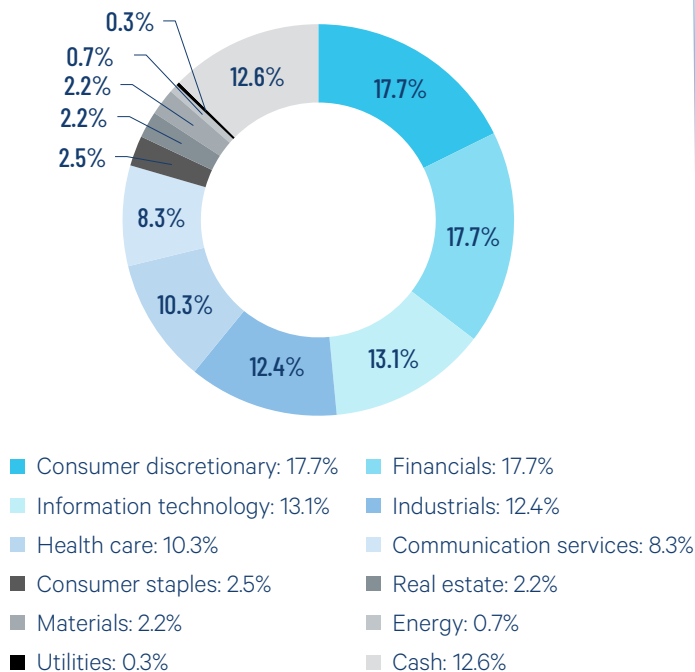


Top 20 holdings (in alphabetical order)

Code	Company Name
360	Life360 Inc.
CDA	Codan
FPH	Fisher & Paykel Healthcare Corporation
GDG	Generation Development Group
GEM	G8 Education
GTK	Gentrack Group
INA	Ingenia Communities Group
IRE	Iress
JDO	Judo Capital Holdings
MGH	Maas Group Holdings

Code	Company Name
MYR	Myer Holdings
NWH	NRW Holdings
NWS	News Corporation
REG	Regis Healthcare
SGF	SG Fleet Group
SSM	Service Stream
SUM NZ	Summerset Group Holdings
TPW	Temple & Webster Group
TUA	Tuas
ZIP	Zip Co

Diversified investment portfolio by sector



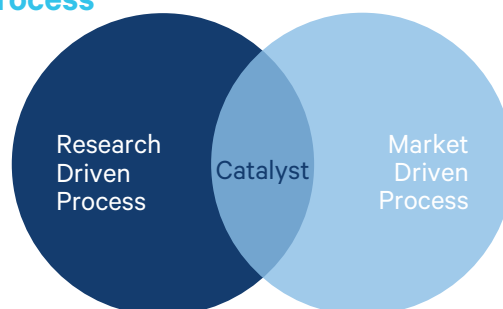
Portfolio composition by market capitalisation

As at 31 October 2024	WAM Capital [†]	S&P/ASX All Ordinaries Index	S&P/ASX Small Ordinaries Index
ASX Top 20	0.0%	56.1%	0.0%
ASX 21-50	1.4%	15.7%	0.0%
ASX 51-100	13.4%	13.0%	0.0%
ASX 101-300	51.2%	12.3%	100.0%
Ex ASX 300	21.4%	2.9%	0.0%

[†]The investment portfolio held 12.6% in cash.

Our proven investment process

Diligent and deep research on undervalued growth companies that focuses on free cash flow, return on equity, meeting management and the quality of a company.



Takes advantage of short-term mispricing opportunities in the Australian equity market.

Catalyst: a major event that alters the market's perception of a company or its earnings momentum which will lead to a rerating of the investee company's share price.

About the Investment Manager

Wilson Asset Management has a track record of making a difference for shareholders and the community for over 25 years.

As the investment manager for eight leading listed investment companies (LICs), Wilson Asset Management has a diversified offering of Australian and global listed equities and alternative assets.

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).

>\$5 billion in funds under management

130,000 retail investors

>200 years combined investment experience

10 investment products

Listed Investment Companies

W | A | M Capital

W | A | M Leaders

W | A | M Global

W | A | M Microcap

W | A | M Alternative Assets

W | A | M Strategic Value

W | A | M Research

W | A | M Active

Key contacts

Geoff Wilson AO
Chairman & Chief
Investment Officer
X (Twitter)
[@GeoffWilsonWAM](https://twitter.com/GeoffWilsonWAM)
(02) 9247 6755

Jesse Hamilton
Chief Financial Officer
0401 944 807

Camilla Cox
Corporate Affairs Manager
0407 407 062

Kate Thorley
Chief Executive Officer
0405 115 644

For more information visit:
wilsonassetmanagement.com.au



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