

W | A | M Microcap ASX: WMI



The most exciting undervalued growth opportunities in the Australian micro-cap market.



Net Tangible Assets (NTA) per share before tax

	NTA (cum-dividend)	NTA (ex-dividend)	Fully franked dividend paid
October 2024	145.89c	140.64c	5.25c
September 2024	145.25c		

The October NTA (ex-dividend) is **after** the fully franked final dividend of 5.25 cents per share that was paid on 29 October 2024. The shares traded ex-dividend on 15 October 2024.

The net current and deferred tax asset/(liability) position of the Company for October 2024 is (1.52) cents per share.

Dividend highlights

10.5c

Fully franked full year dividend (per share)

64.75c

Dividends paid since inception (per share)

92.5c

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

7.1%

Fully franked dividend yield*

10.1%

Grossed-up dividend yield*

43.8c

Profits reserve (per share)

Assets

\$403.8m

Investment portfolio performance[^] (pa since inception June 2017)

16.5%

S&P/ASX Small Ordinaries Accumulation Index:
6.8%

Month-end share price (at 31 October 2024)

\$1.48

*Based on the 31 October 2024 share price and the FY24 fully franked full year dividend of 10.5 cents per share. 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 and taxes to compare to the relevant index which is also before expenses, fees and taxes.

[Small to mid-cap interview with the investment team](#)

[Oscar Oberg comments on Myer's latest deal](#)

The WAM Microcap (ASX: WMI) investment portfolio increased during the month. Corporate bookmaker PointsBet Holdings (ASX: PBH) and life insurance and financial services company Generation Development Group (ASX: GDG) were contributors to the investment portfolio performance.

POINTSBET

PointsBet Holdings' September 2024 quarter results delivered top-line growth across Australia and Canada. Its Australian business recorded a 7% growth in net wins during the quarter due to market share gains, richer product mix and more efficient promotional spend. Its Canadian business also performed well, reporting strong growth in both Sports Wagering and iGaming net wins. Management believes the Canadian business is on track to break even in terms of cash flow in this financial year. We believe management's focus on leveraging its existing technology and brand marketing spend will drive further operational leverage in both Australia and Canada. If management meets its long-term earnings before interest, taxes, depreciation, and amortisation (EBITDA) margin target of \$11 million to \$16 million, we expect a positive step-change in PointsBet Holdings' valuation.

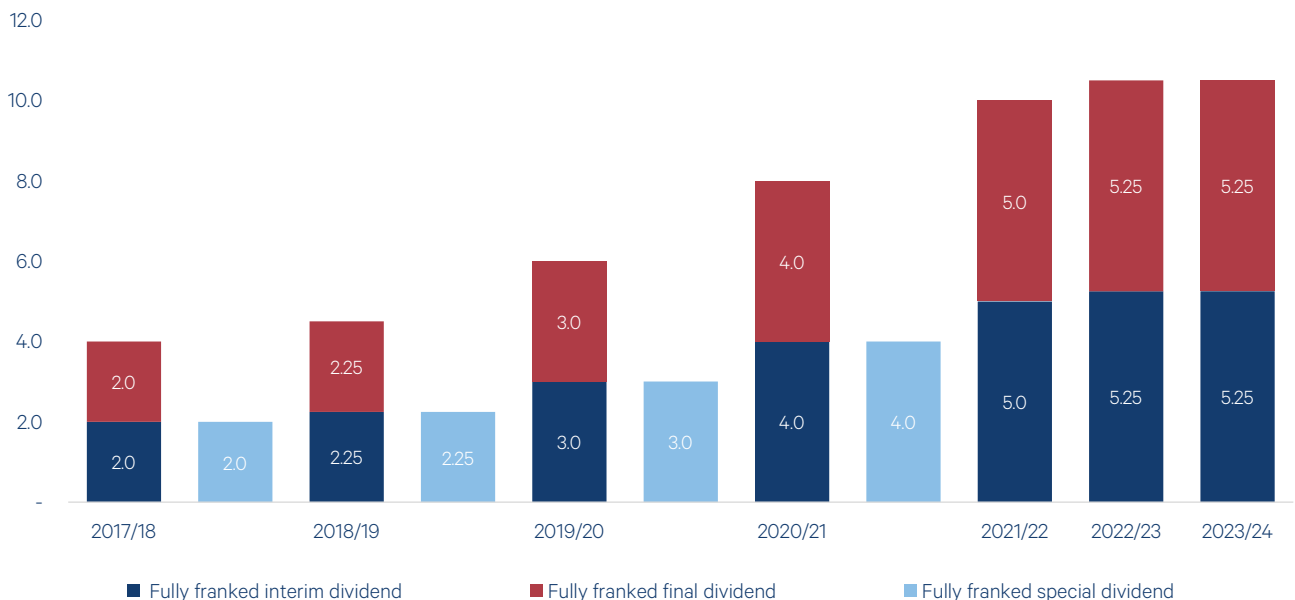


Generation Development Group had a strong start to the financial year with record bond flows for the September 2024 quarter. Lifetime annuity sales were the key driver resulting in a 33% increase in funds under management (FUM) on the previous period. Pleasingly, management also reported FUM growth in its recent acquisition, Lonsec Holdings, which increased 10% during the September quarter driven by a combination of strong inflows and market growth. Investors' inflation concerns, uncertainty around superannuation regulations and Australia's current taxation thresholds are seeing a growing demand by advisers looking for flexible, tax-effective investment options, such as investment bonds. We like Generation Development Group as we think it is well-placed to capitalise on this market growth, given its strong competitive position in investment bonds and focus on strategic growth across its insurance and research businesses.

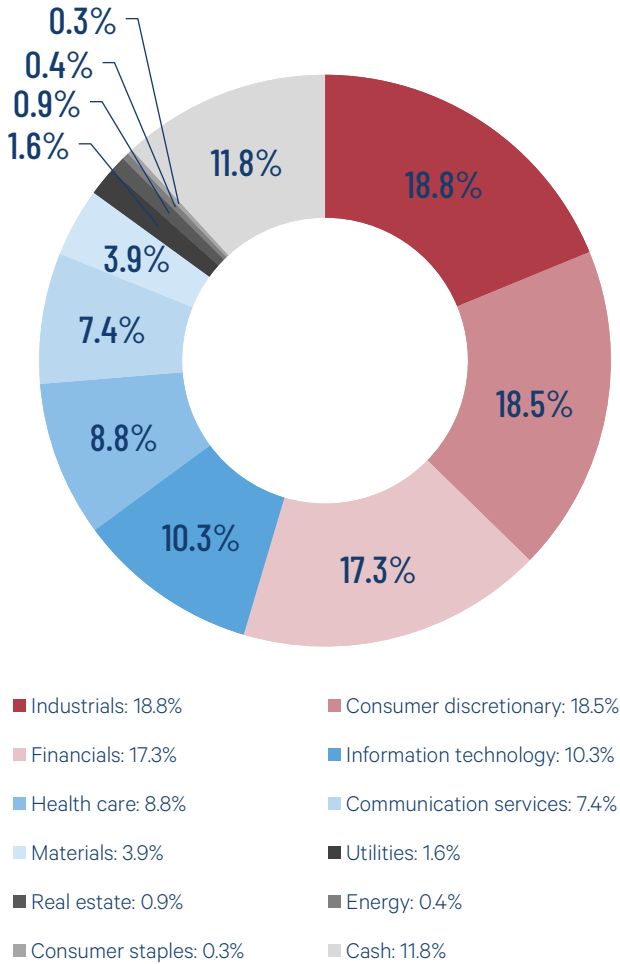
Fully franked dividends since inception

The Board declared a fully franked final dividend of 5.25 cents per share paid on 29 October 2024.

Cents per share



Diversified investment portfolio by sector



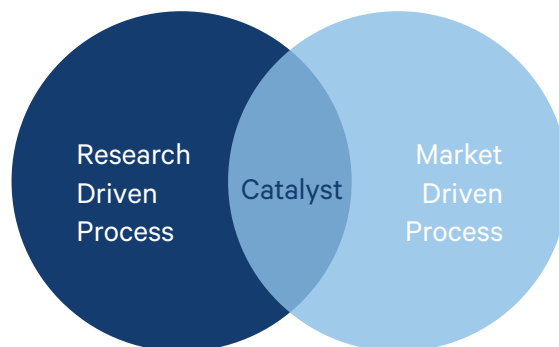
Top 20 holdings (alphabetical order)

Code	Company Name
ACL	Australian Clinical Labs
AIM	AI-Media Technologies
AMA	AMA Group
ANG	Austin Engineering
BVS	Bravura Solutions
DSE	Dropsuite
EML	EML Payments
EVO	Embark Early Education
GDG	Generation Development Group
GNP	GenusPlus Group
GTK	Gentrack Group
MYR	Myer Holdings
REG	Regis Healthcare
SGF	SG Fleet Group
SNL	Supply Network
SSM	Service Stream
TUA	Tuas
UNI	Universal Store Holdings
ZIP	Zip Co
n/a	Xpansiv

Our proven investment process

Research and market driven process across undervalued micro-cap growth companies with a market capitalisation of less than \$300 million.

Diligent and deep research on undervalued micro-cap 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

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