

# Investment update

As at 31 March 2018



## Snapshot

Pre-tax net tangible assets

**\$1.10**

Fully franked  
dividend yield

**5.0%**

Gross assets

**\$45.6m**

Performance  
(p.a. since January 2008)

**12.8%**

## WAM Active Limited

ASX code	WAA
Date of listing	Jan 2008
Gross assets	\$45.6m
Market cap	\$46.1m
Share price (WAA)	\$1.135
Option price (WAAO)	\$0.008
NTA before tax	\$1.10
Shares on issue	40,591,888
Options on issue	30,088,590
Annualised fully franked interim dividend (FY2018)	5.7c
Fully franked dividend yield	5.0%

## Investment objectives

- Deliver shareholders a regular income stream via fully franked dividends
- Provide a positive return with low volatility, after fees, over most periods of time
- Preserve capital

## Wilson Asset Management investment & management team

Geoff Wilson AO	Chairman & Portfolio Manager
Kate Thorley	Chief Executive Officer
Chris Stott	Chief Investment Officer & Portfolio Manager
Matthew Haupt	Portfolio Manager
Catriona Burns	Portfolio Manager
Martin Hickson	Portfolio Manager
Oscar Oberg	Portfolio Manager
Tobias Yao	Senior Equity Analyst
John Ayoub	Senior Equity Analyst
Cooper Rogers	Assistant Dealer

## Company overview

WAM Active Limited (ASX: WAA) is a listed investment company managed by Wilson Asset Management. Listed in January 2008, WAM Active provides investors with exposure to an active trading style with the aim of achieving a sound return with a low correlation to traditional markets.

## Shareholder Presentations

Hobart & Launceston	11 May
Canberra	14 May
Sydney	15 May
Brisbane	16 May
Toowoomba	17 May
Perth	21 May
Adelaide	22 May
Melbourne	24 May

**RESERVE YOUR PLACE NOW**

## May 2018 Shareholder Presentations

Next month, we will be travelling across the country to meet with investors about our LICs, including WAM Global. We will also discuss investment themes, trends and opportunities we are seeing across Australian and global equity markets. Lunch will be served following the presentations, so we encourage you to stay and talk to the team. [Register now!](#)

## Market overview

The S&P/ASX All Ordinaries Accumulation Index fell 3.5% in March following global peers in an adverse reaction to geopolitical events through the month.

Global news centred on protectionist policies from the US and China, which rattled equity markets, coupled with key departures from the White House. Technology companies suffered a broad-based sell-off triggered by the Cambridge Analytica controversy into Facebook data collection.

Domestically, the Royal Commission into financial services continued to cause issues for the major banks, further dragging on the Index. In politics, the federal opposition outlined proposed changes to the dividend imputation system that would negatively impact self-funded retirees. Chairman Geoff Wilson spoke to [The Australian](#), [The Australian Financial Review](#), and [Sky News](#) about the policy.

In an article for the [Australian Financial Review](#), Chief Investment Officer Chris Stott recently discussed three sectors and stocks that present value in an expensive and increasingly volatile equity market.

## Net tangible asset (NTA) figures

The following NTA figures are before the 2.85 cents per share fully franked interim dividend due to be paid on 27 April 2018. The shares traded ex dividend today, Thursday 12 April 2018.

NTA before tax	109.83c*
NTA after tax and before tax on unrealised gains	108.91c
NTA after tax	108.90c

\*The NTA before tax figure is after the payment of \$9k (0.02 cents per share) in tax during the month. The above figures are not adjusted for the 30,088,590 options on issue with an exercise price of \$1.14.

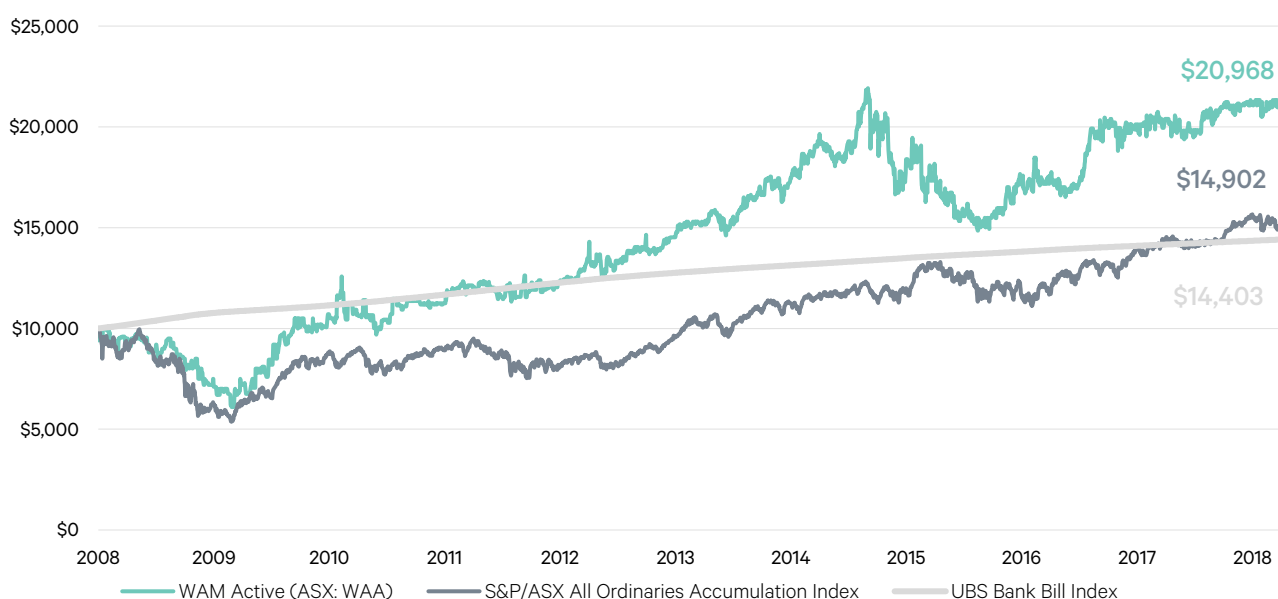
## Performance

Performance at 31 March 2018	1 mth	6 mths	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Jan-08)
WAA Investment Portfolio*	-2.7%	8.2%	11.5%	13.5%	13.5%	11.9%	12.8%
S&P/ASX All Ordinaries Accumulation Index	-3.5%	4.2%	5.3%	3.6%	4.4%	7.9%	3.5%
<b>Outperformance</b>	<b>+0.8%</b>	<b>+4.0%</b>	<b>+6.2%</b>	<b>+9.9%</b>	<b>+9.1%</b>	<b>+4.0%</b>	<b>+9.3%</b>
UBS Bank Bill Index (Cash)	0.1%	0.9%	1.3%	1.7%	2.0%	2.3%	3.6%
<b>Outperformance</b>	<b>-2.8%</b>	<b>+7.3%</b>	<b>+10.2%</b>	<b>+11.8%</b>	<b>+11.5%</b>	<b>+9.6%</b>	<b>+9.2%</b>

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

## Growth of \$10,000 investment since inception

### WAM Active versus the Index



#### Notes:

1. The above graph reflects the period from inception in January 2008 to 31 March 2018.
2. WAM Active's performance is calculated using the closing daily share price in Australian dollars and assumes all dividends are reinvested.
3. The S&P/ASX All Ordinaries Accumulation Index and the UBS Bank Bill Index have been chosen for comparison purposes only. The graph is not intended to be an indication of future performance of any asset class, index or the WAM Active portfolio.

## Diversified portfolio

Investment type	February 2018		March 2018	
	\$m	%	\$m	%
Listed equities	32.0	68.6	28.5	62.5
Short portfolio	(1.6)	(3.5)	(0.6)	(1.4)
Fixed interest & cash	16.3	34.9	17.7	38.9
<b>Gross assets</b>	<b>\$46.7</b>	<b>100.0</b>	<b>\$45.6*</b>	<b>100.0</b>
<b>Total shares on issue</b>	<b>40,370,664</b>		<b>40,591,888**</b>	

\*This figure is after the payment of \$9k in tax during the month.

\*\*During the month 221,224 options were exercised and allotted.

## WAM Active options

Your WAM Active options enable you to acquire new shares without paying brokerage fees at the price of \$1.14 per share at any time on or before 17 September 2018. The options are currently trading on the ASX under the code WAAO where you have the opportunity to sell or purchase additional options. WAM Active options closed at 0.8 cents on 11 April 2018.

The bonus option issue is an effective way to grow the Company and will deliver benefits to shareholders. As the Company's size increases, on-market liquidity for the shares is expected to increase. It will also increase the Company's relevance in the market, improve the prospect of broker and research coverage, and gain interest from financial planners. If you have any questions regarding your WAM Active options, please refer to the [factsheet](#) or call Alexandra Hopper on (02) 9247 6755 or email [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au).

## Top 20 holdings

Code	Company	Code	Company
A2M	The a2 Milk Company Limited	PIA	Pengana International Equities Limited
ALL	Aristocrat Leisure Limited	PPC	Peet Limited
AOG	Aveo Group	PTM	Platinum Investment Management Limited
ASB	Austal Limited	QBE	QBE Insurance Group Limited
BAL	Bellamy's Australia Limited	REA	REA Group Limited
BRG	Breville Group Limited	TGG	Templeton Global Growth Fund Limited
MIN	Mineral Resources Limited	TGP	360 Capital Group Limited
MTR	Mantra Group Limited	SRX	Sirtex Medical Limited
NSC	NAOS Small Cap Opportunities Company Limited	SVW	Seven Group Holdings Limited
NWH	NRW Holdings Limited	WDE	Wealth Defender Equities Limited

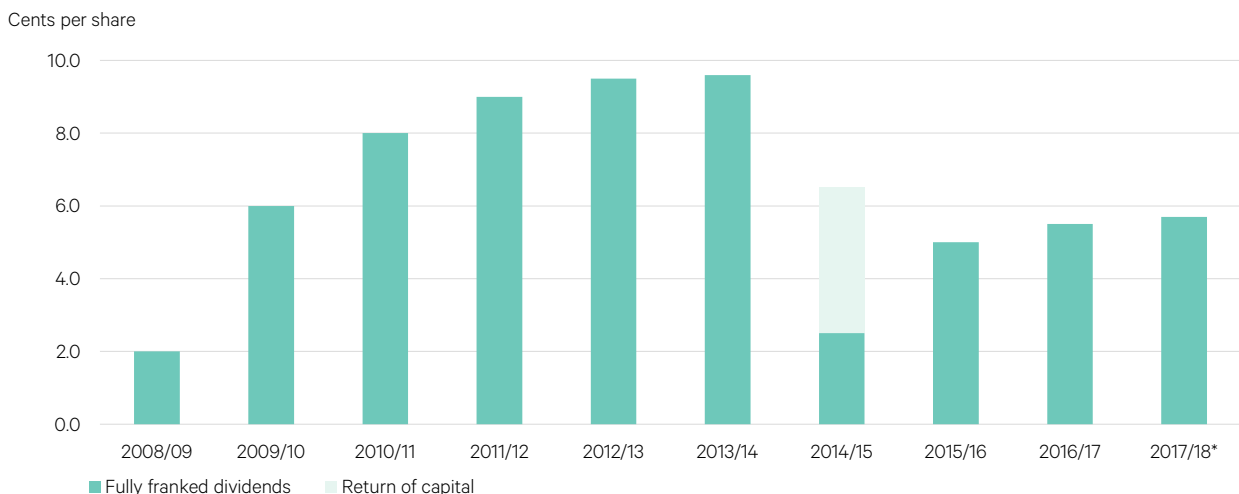
## Fully franked dividends

On 22 February 2018, the Company announced a fully franked interim dividend of 2.85 cents per share, an increase on the previous year. The dividend will be paid on 27 April 2018 and traded ex dividend today, Thursday 12 April 2018. The dividend reinvestment plan (DRP) will operate for the interim dividend. The dividend reinvestment plan will operate at a 2.5% discount. The last election date for the DRP will be 17 April 2018.

### Key dividend dates

Ex dividend date	12 April 2018
Record date	13 April 2018
Last election date for DRP	17 April 2018
Payment date	27 April 2018

### Fully franked dividends since inception



\*Annualised interim dividend

The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax.