

WAM Active announces Share Purchase Plan and Placement

19 February 2020
ASX announcement

The WAM Active Limited (ASX: WAA) Board of Directors is pleased to announce a Share Purchase Plan (SPP), which offers existing shareholders the opportunity to acquire up to \$30,000 worth of ordinary, fully paid shares in WAM Active without incurring any brokerage. The SPP will be offered to existing shareholders at the fixed price of \$1.086 per share, a discount to the 18 February 2020 share price.

Shareholders who participate will be entitled to the fully franked interim dividend of 3.0 cents per share on shares issued under the SPP. The fully franked interim dividend will be paid on 28 April 2020. Based on the SPP price of \$1.086, the annualised fully franked interim dividend of 6.0 cents per share equates to a fully franked dividend yield of 5.5%, before the value of franking credits. WAM Active's pre-tax Net Tangible Assets (NTA) as at 31 January 2020 was \$1.0861* per share, after the provision of tax payable in February 2020. The share price closed at \$1.11 per share on Tuesday, 18 February 2020.

Shareholders on the WAM Active register as at 7:00 pm (AEST) on Tuesday, 18 February 2020 with a registered address in Australia or New Zealand will be entitled to participate in the SPP. Eligible shareholders will be offered the opportunity to acquire parcels of shares up to the value of \$30,000.

Shareholders who have questions about the SPP prior to receiving the SPP Offer Booklet are encouraged to contact Jesse Hamilton on 0401 944 807 or James McNamara on 0416 734 080 or consult their financial advisor or stockbroker.

SPP key dates

SPP Record date (AEST 7pm)	Tuesday, 18 February 2020
Issue of SPP Offer Booklet	Wednesday, 19 February 2020
SPP opens	Thursday, 20 February 2020
SPP closes	Friday, 3 April 2020
Issue date of new shares	Thursday, 16 April 2020
Dividend payment date	Tuesday, 28 April 2020

Placement

The Board currently intends to offer existing WAM Active professional and sophisticated investors[^] the ability to participate in a Placement at \$1.086 per share, the same fixed price as the SPP. The Placement is currently expected to occur in the first week of April 2020. The Board can issue additional shares provided it complies with the relevant ASX Listing Rules. The shares issued under the Placement will rank *pari passu* with existing shares.

Benefits to all shareholders

The SPP and Placement will deliver benefits to all shareholders beyond the opportunity for participants to purchase shares at a discount to the current market price. As the Company's size increases, on-market liquidity for the shares is also expected to increase. We also expect that growing the Company's assets will increase its relevance in the market, improve the prospect of broker and research coverage, and gain additional interest from financial planners.

[^]Refer to the January 2020 Investment Update.

[^]These terms are defined in the Corporations Act and refer to individuals with net assets greater than \$2.5 million, or those who earn gross income of \$250,000, or a Superannuation Fund with net assets of at least \$10 million.

Use of the additional capital

The proceeds of the additional capital will be invested in accordance with the Company's disciplined and proven investment process. As at 31 January 2020, the investment portfolio of WAM Active has delivered an average annual investment portfolio performance of 12.6%[#] since inception in January 2008 and the investment portfolio performance has been achieved with less volatility than the market, as measured by its standard deviation, 8.7% versus 13.7%.

WAM Active employs Wilson Asset Management's market-driven investment process, which is focused on delivering absolute returns in all market cycles. For the financial period to 31 January 2020, the investment portfolio increased 13.5%[#], while the Bloomberg AusBond Bank Bill Index, representing the return on cash, increased 0.6%. The S&P/ASX All Ordinaries Accumulation Index rose 8.4% over the same period.

WAM Active's gross assets as at 31 January 2020 were \$52.2 million, 86.0% of which were allocated to equities, with the remaining 14.0% held in cash and term deposits. The current cash weighting supports the flexible investment mandate to actively pursue opportunities in the market as they arise, while protecting capital at all times.

This announcement is authorised by the Board of WAM Active Limited.

[#]Investment portfolio performance and index returns are before expenses, fees and taxes.

About WAM Active

WAM Active Limited (ASX: WAA) has an investment management agreement with 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. WAM Active's investment objectives are to deliver a regular income stream via fully franked dividends, provide a positive return with low volatility, after fees, over most periods of time, and to preserve capital.

About Wilson Asset Management

Wilson Asset Management has a solid track record of making a difference for shareholders and the community for more than 20 years. As the investment manager for six leading listed investment companies: WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Research (ASX: WAX) and WAM Active (ASX: WAA), Wilson Asset Management invests over \$3 billion on behalf of more than 80,000 retail investors. Wilson Asset Management is the creator and lead supporter of Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG).



For further information, visit wilsonassetmanagement.com.au or contact:

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