

Annual General Meeting Chairman's Address

23 November 2021

Introduction and welcome

Good afternoon and welcome to the second WAM Alternative Assets Limited (ASX: WMA) Annual General Meeting (AGM). We are focused on the health and wellbeing of our shareholders, therefore this meeting is being held virtually to protect you all from the risk of the current coronavirus pandemic. We recognise the limitations of holding AGMs in this format, and we look forward to seeing everyone again in person as soon as it is safe to do so.

I would firstly like to acknowledge the traditional owners of this land, the Turrbal and Jagera people and pay my respects to their Elders past and present. As we are unable to meet together, I also acknowledge the traditional custodians of the lands on which our shareholders and my fellow directors are currently viewing and listening to today's AGM. I would also like to welcome all our shareholders.

I am Michael Cottier, Chairman of the Board of Directors. I am joined today by my fellow Board members, Geoff Wilson AO, Adrian Siew, John Baillie and Kym Evans. Scott Whiddett, a representative from WAM Alternative Assets' auditor, Pitcher Partners, will be available to address any questions relating to the Company's financial statements.

We recently marked the one-year anniversary of Wilson Asset Management's appointment as investment manager of WAM Alternative Assets. On behalf of the Board of Directors, I would like to congratulate our WAM Alternative Assets Portfolio Manager Dania Zinurova and the wider team at Wilson Asset Management for their hard work and commitment to the investment portfolio over this period.

FY2021 in review

Financial results

The Company achieved a record operating profit before tax of \$22.6 million (FY2020: \$6.5 million) and a record operating profit after tax of \$18.0 million (FY2020: \$5.1 million), reflective of the solid performance of the investment portfolio over the year.

The WAM Alternative Assets investment portfolio increased 13.3% in the 12 months to June 2021 and 13.2% since the appointment of Wilson Asset Management as Investment Manager in October 2020. The solid investment portfolio performance has been driven by positive revaluations of the underlying investments in the period, with strong performance from private equity and real assets (primarily water assets). WAM Alternative Assets' pre-tax NTA increased 11.5% in the 12 months to 30 June 2021, including the 4.0 cents per share of fully franked dividends paid to shareholders during the year.

Total shareholder return and a share price discount to NTA

Total shareholder return measures the value shareholders gain from share price growth and dividends paid over the period, before the value of any franking credits distributed to shareholders through fully franked dividends. The narrowing of the share price discount to net tangible assets (NTA), combined with the investment portfolio performance and the fully franked dividends paid during the period, resulted in a total shareholder return of 42.4% for the period to 30 June 2021.

Wilson Asset Management is focused on achieving a share price premium to NTA and have agreed to deliver on the Premium Target, the first of its kind in the Australian market. The principle of the Premium Target is that WAM Alternative Assets' volume weighted average share price, over the relevant trading days during a month, needs to exceed the pre-tax NTA of the Company. If this does not occur at least three times during the five year term,

shareholders will automatically have the right to vote to terminate the arrangements with Wilson Asset Management, and to liquidate the Company.

As at 30 June 2021, the share price discount to NTA was 15.5%, an 18.2% reduction on the previous period (FY2020: 33.7% discount to NTA). On 22 November 2021, the share price discount to NTA was 11.8%.

Fully franked dividends

The Company announced a fully franked final dividend 2.0 cents per share for the financial year ended 30 June 2021. Together with the fully franked interim dividend of 1.0 cent per share paid in April 2021, bringing the FY2021 fully franked dividends to 3.0 cents per share. As at 31 October 2021, the Company had 11.7 cents per share available in its profits reserve, after the payment of the fully franked final dividend of 2.0 cents per share on 22 October 2021.

Additionally, the Board of Directors announced its intention to deliver a FY2022 interim dividend of 2.0 cents per share (subject to no material adverse change in the investment portfolio), representing a 100% increase on the FY2021 interim dividend.

FY2022 update and outlook

Company update

WAM Alternative Assets had a solid start to FY2022. The Company's pre-tax NTA has grown to \$1.18 as at 31 October 2021 and the Company has 11.7 cents per share available in its profits reserve, after the payment of its FY2021 fully franked final dividend of 2.0 cents per share on 22 October 2021. We look forward to deploying our investment commitments to our new investment partners; Palisade Investment Partners, Barwon Investment Partners and Adamantem Capital. As at 31 October 2021, investment commitments amounted to 16.4% of the Company's gross assets.

In July, our investment partner Argyle Capital successfully completed the sale of the underlying asset in its Agriculture Fund II, an irrigated citrus orchard near Hillston in New South Wales that has been owned and redeveloped since late 2015. The exit proceeds from the investment provides additional capital to deploy as we continue to implement our revitalisation strategy for the investment portfolio.

The WAM Alternative Assets investment portfolio received [initial coverage](#) from Independent Investment Research (IIR), noting Portfolio Manager Dania Zinurova's significant experience in the alternative assets sector, the investment portfolio's uncorrelated exposure to equity markets and low volatility, and well-aligned interests with the Investment Manager. Lonsec rated WAM Alternative Assets as '[Investment Grade](#)', indicating the research house has conviction that WAM Alternative Assets can generate risk-adjusted returns in line with its stated objectives. In its report, Lonsec highlighted that Portfolio Manager Dania Zinurova "implements a detailed investment approach exhibiting strong research rigour" and that the listed investment company "provides investors with daily liquidity for an illiquid asset class".

Dania recently discussed the opportunities in private debt and real assets in the latest instalment of the WAM Alternative Assets education series. Dania explores the range of benefits real assets provide investors with and explains private debt's investment characteristics. You can watch the videos [here](#). We look forward to sharing the next instalment of the WAM Alternative Assets education series with you in the coming weeks.

Company outlook

WAM Alternative Assets aims to democratise investing in alternative assets while providing retail investors with access to a portfolio of real assets, private equity and real estate, with plans to expand into private debt and infrastructure. The Company's investment objectives are to consistently deliver absolute returns through a combination of dividend yield and capital growth, provide diversification benefits, added liquidity, a potential inflation hedge and downside protection to an investment portfolio.

We remain focused on engaging with shareholders, financial planners, advisors and market participants as we work to return the share price to a premium to NTA. We are positive on the environment for alternative assets, with many sectors set to benefit from strong economic growth and conditions. We look forward to identifying compelling investments from this broad opportunity set for shareholders and delivering on our commitments, providing retail investors with exposure to a high quality portfolio of alternative assets.

About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 20 years. As the investment manager, Wilson Asset Management invests over \$5.4 billion on behalf of more than 120,000 retail investors.

Wilson Asset Management is proud to be the Investment Manager for WAM Alternative Assets, together with seven other LICs: WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA).

Wilson Asset Management created and is the lead supporter of the first listed investment companies to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Since listing in 2014 and 2015, the companies have supported young Australians who are at-risk or experiencing mental ill-health, donating \$52.9 million since inception.

Shareholder engagement

Shareholders are the owners of WAM Alternative Assets; Wilson Asset Management's responsibility is to manage the Company on your behalf and be available to report to you on a regular basis. This year, Wilson Asset Management was once again unable to take to the road and meet with all our shareholders across the country and have missed catching up with you all, over a cup of tea, at Shareholder Presentations. Wilson Asset Management has enjoyed their regular email and telephone correspondence, regular Investor Q&A webinars and providing you with a virtual alternative in WAM Vault. The fourth instalment will be release on 25 November 2021. We encourage you to visit wilsonassetmanagement.com.au/vault to watch, read and listen to the engaging and insightful conversations of our team.

Further information on WAM Alternative Assets can be found in the [FY2021 annual report](#) and [website](#), including more detail on the three key listed investment company performance measures, Portfolio Manager update from Dania Zinurova and the Investment Manager Update from Wilson Asset Management Chief Executive Officer Kate Thorley.

WAM Alternative Assets shareholders are encouraged to use the subscription feature on the Wilson Asset Management website to receive notifications of announcements, investor updates and other important information. We aim to provide valuable and insightful information and welcome all feedback on how we can improve our communication and engagement. Please reach out to Wilson Asset Management by phone on (02) 9247 6755 or email info@wilsonassetmanagement.com.au if you ever have any questions or feedback.

Thank you

I would like to thank my fellow Board members, the Investment Committee and the team at Wilson Asset Management. I also extend my thanks to our loyal shareholders for their continued support. On behalf of the Board, thank you.