

WAM RESEARCH LIMITED

ABN 15 100 504 541

Appendix 4E Preliminary Final Report for the year ended 30 June 2023

Results for Announcement to the Market

All comparisons to the year ended 30 June 2022

	\$	up/down	% mvmt
Revenue from ordinary activities	25,789,384	up	193.4%
Profit from ordinary activities before income tax expense	22,645,919	up	172.9%
Net profit from ordinary activities after income tax expense	16,854,237	up	181.4%

Dividend information	Cents per share	Franked amount per share	Tax rate for franking
2023 Final dividend cents per share	5.0c	3.0c	30%
2023 Interim dividend cents per share	5.0c	5.0c	30%

Final dividend dates

Ex dividend date	3 October 2023
Record date	4 October 2023
Last election date for the DRP	6 October 2023
Payment date	16 October 2023

Dividend Reinvestment Plan

The Dividend Reinvestment Plan ('DRP') is in operation and the recommended final partially franked dividend of 5.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be at a 2.5% discount to the price, calculated as the volume weighted average market price (VWAP) of shares sold on the ASX on the ex date for the relevant dividend and the three trading days following that date.

	30 Jun 23	30 Jun 22
Net tangible asset backing (before tax) per share	\$0.93	\$0.93
Net tangible asset backing (after tax) per share	\$0.99	\$1.00

This report is based on the Annual Report which has been audited by Pitcher Partners. The audit report is included with the Company's Annual Report which accompanies this Appendix 4E. All the documents comprise the information required by Listing Rule 4.3A.

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2023
Annual Report

Wilson
Asset Management
Making a difference



WAM Research Limited

WAM Research Limited (WAM Research or the Company) is a listed investment company and is a reporting entity. It is primarily an investor in equities listed on the Australian Securities Exchange.

WAM Research

Directors

Geoff Wilson AO (Chairman)
Kate Thorley
John Abernethy
Julian Gosse

Joint Company Secretaries

Jesse Hamilton
Linda Kiriczenko

Investment Manager

MAM Pty Limited
Level 26, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
(part of the Wilson Asset
Management Group)

Country of Incorporation

Australia

Registered Office

Level 26, Governor Phillip Tower
1 Farrer Place Sydney NSW 2000

Contact Details

Postal Address: GPO Box 4658
Sydney NSW 2001

T (02) 9247 6755

F (02) 9247 6855

E info@wilsonassetmanagement.com.au

W wilsonassetmanagement.com.au

Share Registry

Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000

T 1300 420 372 (in Australia)
+61 2 8023 5472 (International)

F (02) 9279 0664

For enquiries relating to
shareholdings, dividends
(including participation in the
dividend reinvestment plan) and
related matters, please contact
the share registry.

Australian Securities Exchange

WAM Research Limited
Ordinary Shares (WAX)

Auditor

Pitcher Partners

Regional Shareholder Presentations

The Wilson Asset Management and Future Generation teams look forward to meeting with our shareholders across the country.

Newcastle Monday 9 October

Toowoomba Monday 30 October

Gold Coast Tuesday 31 October

Noosa Wednesday 1 November

Launceston Thursday 9 November



Join our hybrid Annual General Meeting

Wednesday, 25 October 2023

Museum of Sydney (Warrane Theatre)
Cnr Bridge St and Phillip St
Sydney NSW 2000

Further details to be provided.

FY2023 highlights

\$22.6m

operating profit before tax

+14.1%

investment portfolio performance

10.0cps

full year dividend

30 June 2023 snapshot

Listing date	August 2003
Gross assets	\$187.6m
Market capitalisation	\$212.9m
Share price	\$1.06
Shares on issue	200,885,140
Net tangible assets (pre-tax)	\$0.93
Net tangible assets (post-tax)	\$0.99
FY2023 full year dividends	10.0 cents
FY2023 full year dividend yield [*]	9.4%
FY2023 full year grossed-up dividend yield [^]	12.6%

^{*}Based on the 30 June 2023 share price of \$1.06 per share.

[^]Grossed-up dividend yield includes the benefits of franking credits and is based on a tax rate of 30.0%. The FY2023 full year dividend consists of an interim fully franked dividend of 5.0 cents per share and a final dividend of 5.0 cents per share, partially franked at 60%.

FY2023 results

WAM Research reported an operating profit before tax of \$22.6 million for the year (FY2022: operating loss before tax of \$31.1 million) and an operating profit after tax of \$16.9 million (FY2022: operating loss after tax of \$20.7 million), as a result of the performance of the investment portfolio over the year.

The investment portfolio increased 14.1% during the 12-month period to 30 June 2023, while the S&P/ASX Small Ordinaries Accumulation Index and the S&P/ASX All Ordinaries Accumulation Index rose 8.4% and 14.8% respectively. Since its change in investment strategy in 2010, WAM Research has achieved an investment portfolio return of 13.6% per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 5.0% per annum.

The Board declared a full year dividend of 10.0 cents per share, with the final dividend being 5.0 cents per share, partially franked at 60%. Since inception, the Company has paid 139.0 cents per share in fully franked dividends to shareholders.

WAM Research's investment portfolio has returned 13.6% p.a. since the revised investment strategy in July 2010 outperforming the market by 5.0% p.a.



Contents

Chairman's letter	5
Lead Portfolio Manager update	12
About Wilson Asset Management	17
Objectives and investment process	19
Directors' Report to shareholders	20
Auditor's Independence Declaration	30
Statement of comprehensive income	31
Statement of financial position	32
Statement of changes in equity	33
Statement of cash flows	34
Notes to the financial statements	35
Directors' Declaration	55
Independent Auditor's Report	56
Investments at fair value	61
ASX additional Information	62

Letter from the Chairman *Geoff Wilson AO*



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Dear Fellow Shareholders,

I would like to thank all shareholders for their support of WAM Research during the 2023 financial year, which was dominated by economic headwinds, interest rate hikes, inflation and investor concerns surrounding an impending recession.

WAM Research reported an operating profit before tax of \$22.6 million (FY2022: operating loss before tax of \$31.1 million) and an operating profit after tax of \$16.9 million (FY2022: operating loss after tax of \$20.7 million).

The WAM Research investment portfolio increased 14.1% in the 12 months to 30 June 2023, while holding on average 9.2% cash. During this period, the investment portfolio's allocation to equities (92.8% as at 30 June 2023) provided a weighted average return of 15.2% and the investment portfolio exposure to cash and cash equivalents (7.2% as at 30 June 2023) provided a weighted average return of 3.1%. The S&P/ASX All Ordinaries Accumulation Index rose 14.8% during the period. Since the change in investment strategy in 2010, WAM Research has achieved an investment portfolio return of 13.6% per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 5.0% per annum, while holding on average 27.3% cash.

The WAM Research Board of Directors has declared a full year dividend of 10.0 cents per share, with the final dividend being 5.0 cents per share, partially franked at 60%, the maximum extent possible with the franking account balance at year end. The franking account balance of WAM Research was \$2.6 million including income tax payable as at 30 June 2023, equivalent to 3.0 cents per share in a fully franked dividend, enabling the Company to partially frank the final dividend of 5.0 cents per share at 60%.

The WAM Research Board of Directors understands the importance of fully franked dividends for shareholders and are paying out the remaining franking as a partly franked final dividend. The level of franking for dividends in FY2024 and beyond will predominantly result from future income tax payments.

\$22.6m

operating profit before tax

+14.1%

investment portfolio performance for the 12-month period to 30 June 2023

10.0 cps

FY2023 full year dividend

The Company's ability to continue paying franked dividends is dependent on the future franked dividends received from investee companies held within the WAM Research investment portfolio, and future tax paid on realised profits generated by the investment portfolio. In FY2024, it is anticipated that the franked dividends received from investee companies in the investment portfolio will generate enough franking to fully frank approximately 2.0 cents per share in a dividend for shareholders and any additional franking would need to be generated through the payment of tax on profits.

In July 2023, the investment portfolio increased 3.0% which resulted in a tax payment of \$0.5 million during the month of August, equivalent to 0.5 cents per share in a fully franked dividend. In order to generate a full year fully franked dividend of 10.0 cents per share in FY2024, at the current net asset level, the investment portfolio performance would need to increase an additional 12.5% through the year ending 30 June 2024, grossed-up for expenses. In future years, the franking level will again be dependent on the performance of the investment portfolio and the payment of tax on profits, in addition to the level of franked dividends received from investee companies.

The Company had 39.1 cents per share available in its profits reserve as at 31 July 2023, representing 3.9 years of annual dividend coverage, before the payment of the final partially franked dividend of 5.0 cents per share (payable on 16 October 2023). Despite the high profits reserve level of 39.1 cents per share as at 31 July 2023, profits reserve transfers may not always be matched with the payment of tax to generate franking credits. Since inception, WAM Research has paid 139.0 cents per share in fully franked dividends to shareholders.

The full year dividend provides shareholders with a yield on the Company's 30 June 2023 share price of 9.4% and a grossed-up yield of 12.6% when including the value of franking credits. When calculating the yield on net assets, the dividend yield of WAM Research is 10.7%, with a grossed-up yield of 14.4%, higher than the average dividend yield of the S&P/ASX All Ordinaries Accumulation Index of 4.4%, which is 57.6% franked.

During the 12-month period to 30 June 2023, the WAM Research share price premium to NTA changed from 39.4% at 30 June 2022 to 13.9%, impacting total shareholder return for shareholders over the period. The ongoing narrowing of the Company's share price premium to NTA has occurred during the year across the entire listed investment company (LIC) and listed investment trust (LIT) sector as investors seek the perceived safe haven of term deposits and cash, amid a highly volatile equity market environment. The yield on fixed interest and bonds has approached close to the average dividend yield for the Australian equity market for the first time in nearly 12 years, causing premiums to contract and discounts to widen. WAM Research's share price premium to NTA as at 30 June 2023 of 13.9% compares to the average WAM Research share price premium during FY2023 of 32.9% and 41.9% in FY2022.

Heading into FY2024, the WAM Research investment team expect a strong period for undervalued growth companies and believe earnings estimates and share prices have already factored in the negativity from difficult macroeconomic conditions experienced throughout the year.

As a fellow WAM Research shareholder, I would like to thank the WAM Research investment team and the broader Wilson Asset Management team for their continued support. We greatly appreciate the trust, loyalty and support we have received from WAM Research shareholders throughout the year.

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Company performance

Over four decades of investing, we have found three key measures crucial to the evaluation of a listed investment company's (LIC) performance:

1) Investment portfolio performance

Investment portfolio performance measures the growth of the underlying portfolio of equities and cash before expenses, fees, taxes and capital management initiatives.

A key objective of WAM Research is long-term outperformance against the S&P/ASX All Ordinaries Accumulation Index, which is achieved by growing the investment portfolio at a greater rate. The S&P/ASX All Ordinaries Accumulation Index is also measured before expenses, fees and taxes.

Performance at 30 June 2023	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	10 yrs %pa	Since change in investment strategy %pa (Jul-10)
WAM Research Investment Portfolio	14.1%	12.7%	6.7%	8.4%	12.6%	13.6%
S&P/ASX All Ordinaries Accumulation Index	14.8%	11.4%	7.3%	9.0%	8.8%	8.6%
Outperformance	-0.7%	+1.3%	-0.6%	-0.6%	+3.8%	+5.0%
S&P/ASX Small Ordinaries Accumulation Index	8.4%	5.2%	2.3%	5.8%	6.8%	4.7%
Outperformance	+5.7%	+7.5%	+4.4%	+2.6%	+5.8%	+8.9%

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are also before expenses, fees and taxes.

WAM Research's investment portfolio increased 14.1% in the year to 30 June 2023, while holding on average 9.2% of the investment portfolio in cash. Since its change in investment strategy in 2010, WAM Research has achieved an investment portfolio return of 13.6% per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 5.0% per annum.

Set out below is the performance of WAM Research since the change in the investment strategy on a financial year basis. The performance data excludes all expenses, fees and taxes and is used as a guide to show how the Company's investment portfolio has performed against the S&P/ASX All Ordinaries Accumulation Index over the same period.

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Chairman's letter

Financial year	WAM Research Investment Portfolio	S&P/ASX All Ordinaries Accumulation Index	Outperformance
2010/2011	17.5%	12.2%	+5.3%
2011/2012	4.5%	-7.0%	+11.5%
2012/2013	30.4%	20.7%	+9.7%
2013/2014	20.5%	17.6%	+2.9%
2014/2015	22.8%	5.7%	+17.1%
2015/2016	25.5%	2.0%	+23.5%
2016/2017	11.1%	13.1%	-2.0%
2017/2018	14.5%	13.7%	+0.8%
2018/2019	1.8%	11.0%	-9.2%
2019/2020	-5.1%	-7.2%	+2.1%
2020/2021	45.2%	30.2%	+15.0%
2021/2022	-13.5%	-7.4%	-6.1%
2022/2023	14.1%	14.8%	-0.7%

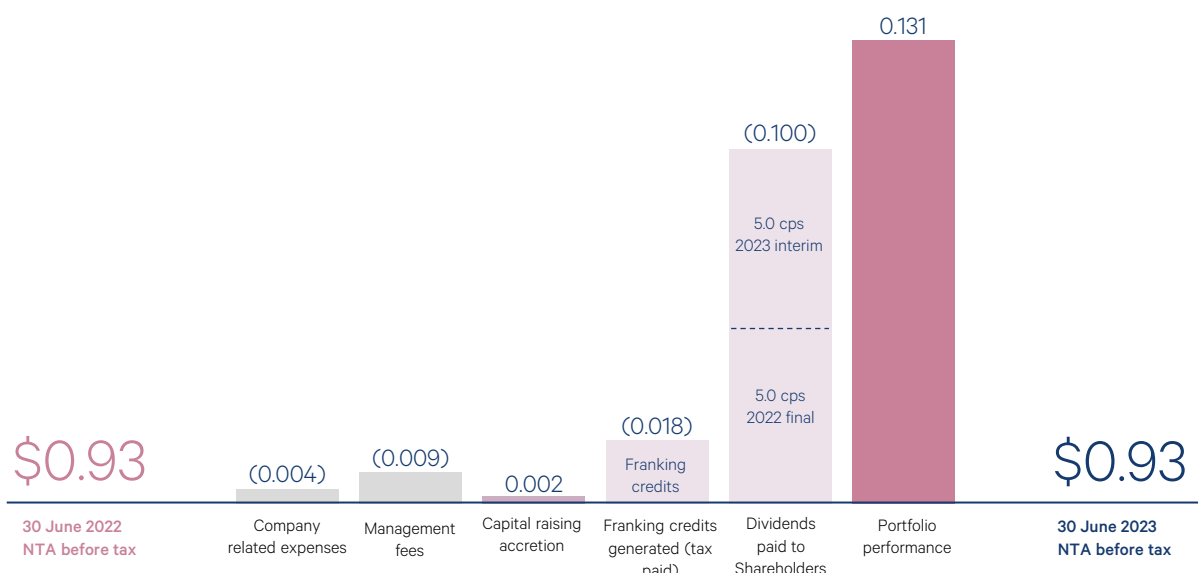
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2) Net tangible asset (NTA) growth

NTA growth is the change in value of the company's assets, less liabilities and costs (after tax, management and performance fees). The NTA represents the realisable value of the Company and is provided to shareholders and announced on the ASX each month.

WAM Research's pre-tax NTA increased 11.0% in the 12 months to 30 June 2023, including the 10.0 cents per share of franked dividends paid to shareholders during the year. This increase is after corporate tax paid of 1.8 cent per share or 1.9% of the Company's pre-tax NTA during the year. The corporate tax payments made throughout the year and the management fees of 1.0% were the major items of difference between the investment portfolio performance increase of 14.1% and the NTA performance. The franking credits attached to corporate tax payments are available for distribution to shareholders through franked dividends. Other items contributing to the change in the value of the assets during the year were other company related expenses of 0.4%, being offset by capital management accretion of 0.2%.

WAM Research pre-tax NTA performance

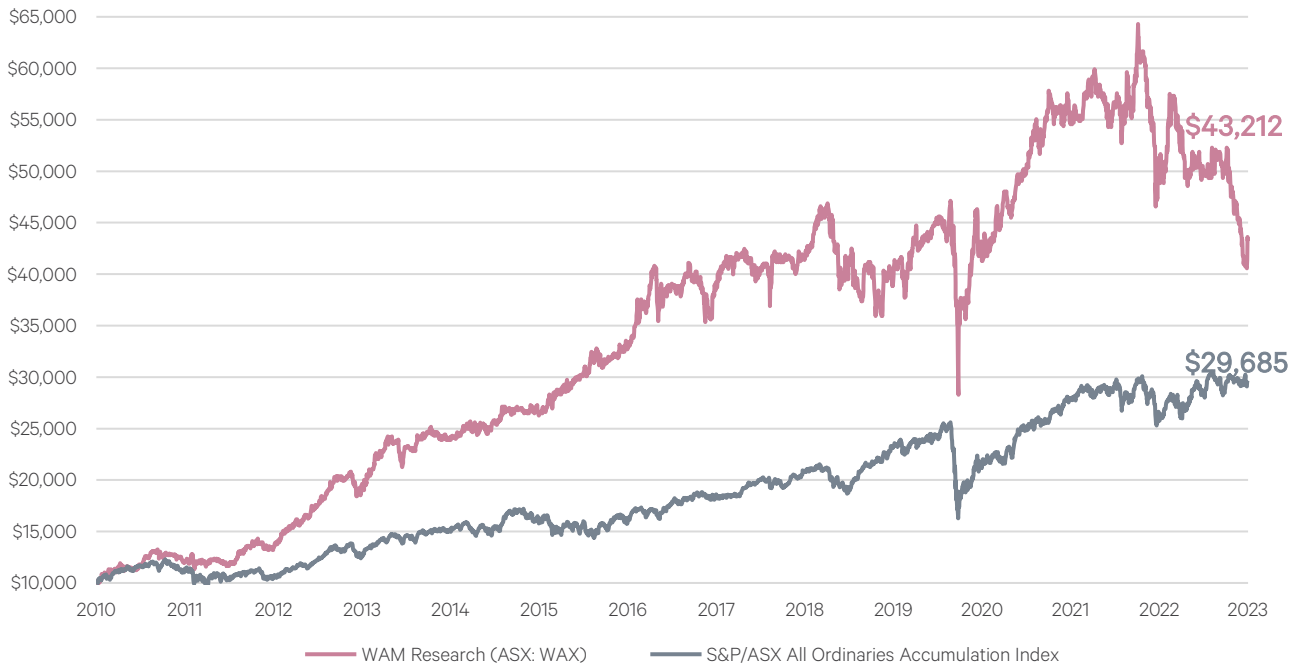


3) Total shareholder return (TSR)

TSR measures the tangible value shareholders gain from share price growth and dividends paid over the period, before the value of any franking credits distributed to shareholders through franked dividends.

The TSR for WAM Research was -11.3% for the year to 30 June 2023 and was impacted by the significant decline in the share price premium to NTA, which fell from 39.4% as at 30 June 2022 to 13.9% as at 30 June 2023. This was partially offset by the investment portfolio performance of 14.1% for the year. This measure does not value the potential benefit of franking credits distributed to shareholders through franked dividends.

Growth of a \$10,000 investment since revised investment strategy



Notes:

1. The above graph reflects the period from the change in investment strategy in July 2010 to 30 June 2023.
2. WAM Research's performance is calculated using the closing daily share price from IRESS, in Australian dollars and assumes all dividends are reinvested.
3. The S&P/ASX All Ordinaries Accumulation Index has 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 Research portfolio.

Dividends

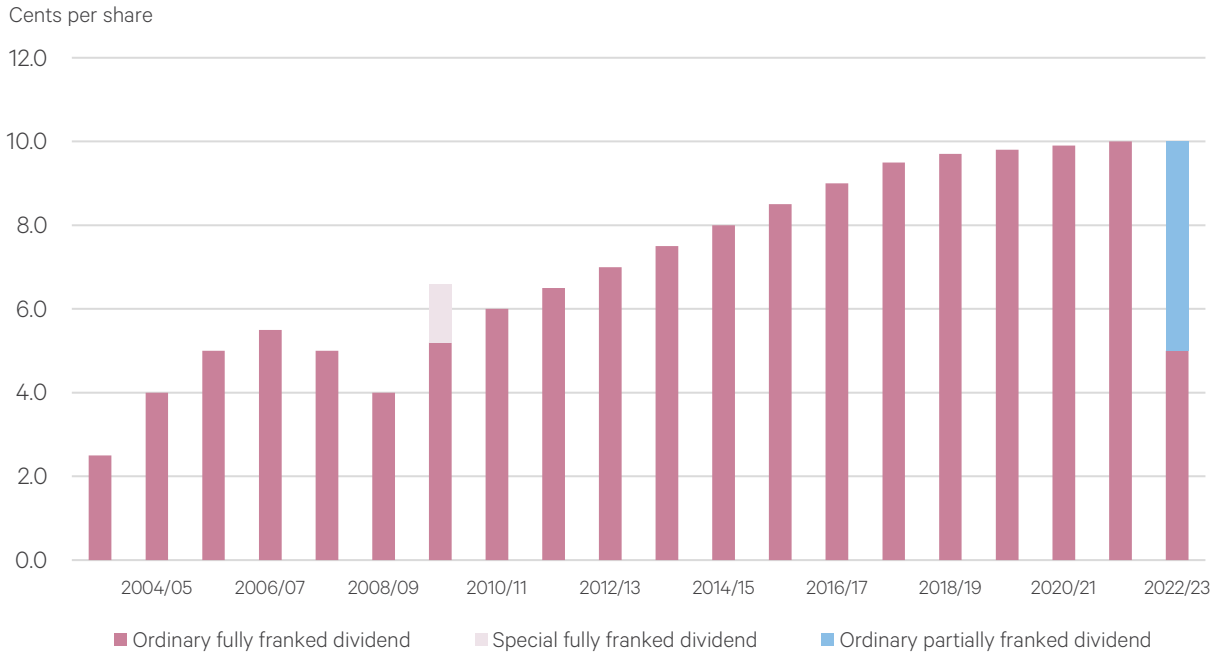
The Board declared a full year dividend of 10.0 cents per share, with the final dividend being 5.0 cents per share, partially franked at 60%. Since inception, WAM Research has paid 139.0 cents per share in fully franked dividends to shareholders.

The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits, and it is within prudent business practices. As at 31 July 2023, the Company had 39.1 cents per share available in its profits reserve, before the payment of the final partially franked dividend of 5.0 cents per share payable on 16 October 2023.

The Company's ability to continue paying franked dividends is dependent on the future franked dividends received from investee companies held within the WAM Research investment portfolio, and future tax paid on realised profits generated by the investment portfolio. In FY2024, it is anticipated that the franked dividends received from investee companies in the investment portfolio will generate enough franking to fully frank approximately 2.0 cents per share in a dividend for shareholders and any additional franking would need to be generated through the payment of tax on profits.

Dividends are paid on a six-monthly basis and the dividend reinvestment plan is available to shareholders at a 2.5% discount for the final dividend.

WAM Research dividends since inception



Key final dividend dates

Ex-dividend date	3 October 2023
Dividend record date (7:00pm Sydney time)	4 October 2023
Last election date for DRP	6 October 2023
Final dividend payment date	16 October 2023

The Dividend Reinvestment Plan (DRP) is in operation and the recommended final partially franked dividend of 5.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be at a 2.5% discount to the price, calculated as the volume weighted average market price (VWAP) of shares sold on the ASX on the ex date for the relevant dividend and the three trading days following that date.

We encourage you to visit our website, subscribe to receive our updates and to call or email us with any questions or suggestions you have regarding WAM Research or Wilson Asset Management. Please contact myself or the team on (02) 9247 6755 or email us at info@wilsonassetmanagement.com.au.

Thank you for your continued support and keep safe.

Geoff Wilson AO
Chairman

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Update from the Lead Portfolio Manager

Oscar Oberg CFA



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Investment process

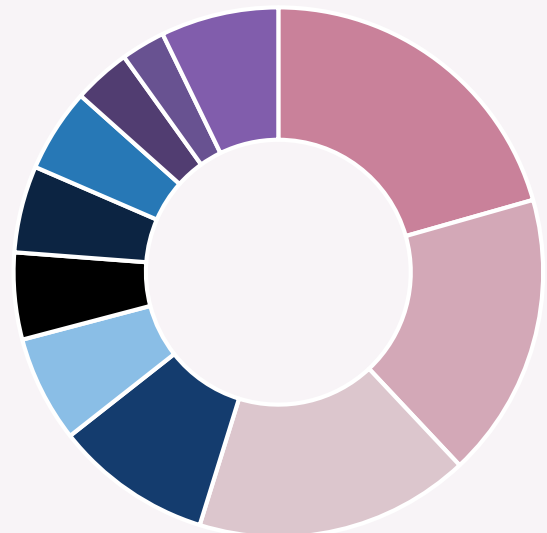
The WAM Research investment team is committed to using Wilson Asset Management’s proven investment process, which has delivered solid returns for shareholders over the long-term. The investment team focuses on identifying and investing in undervalued growth companies with a catalyst and attractive qualities. The vast majority of companies that we find with these qualities, including low price-to-earnings (P/E) and price/earnings-to-growth (PEG) multiples, are within the small industrials sector of the market. The investment team had over 4,000 company meetings with management during the year to help identify companies with these qualities, which led us to be more exposed to the small-cap end of the market. As at 30 June 2023, the WAM Research investment portfolio is not exposed to large-cap companies, compared to the S&P/ASX All Ordinaries Index, where the 50 largest companies represent 72.8% of the index.

Portfolio composition by market capitalisation

	WAM Research [†]	S&P/ASX All Ordinaries Index	S&P/ASX Small Ordinaries Index
ASX Top 20	0.0%	57.3%	0.0%
ASX 21-50	0.0%	15.5%	0.0%
ASX 51-100	10.6%	12.9%	9.7%
ASX 101-300	62.2%	11.7%	85.6%
Ex ASX 300	20.0%	2.6%	4.7%

[†]Investment portfolio held 7.2% in cash.

Diversified investment portfolio by sector



- Health care: 20.6%
- Industrials: 16.8%
- Consumer staples: 6.5%
- Energy: 5.3%
- Information technology: 3.5%
- Cash: 7.2%
- Consumer discretionary: 17.4%
- Financials: 9.6%
- Real estate: 5.3%
- Communication services: 5.1%
- Materials: 2.7%

The year in review

The 2023 financial year was dominated by the largest interest rate hiking cycle in over 30 years and the increasing probability of a global recession. These macroeconomic headwinds contributed to the WAM Research investment portfolio underperformance against the S&P/ASX All Ordinaries Accumulation Index. For the 12 months to 30 June 2023, the WAM Research investment portfolio increased 14.1%, while the S&P/ASX All Ordinaries Accumulation Index rose 14.8%. Pleasingly, the investment portfolio outperformed the S&P/ASX Small Ordinaries Accumulation Index by 5.7%, with the team applying Wilson Asset Management’s proven investment process which has delivered consistent long-term returns across a range of investment cycles over the last 25 years. Since September 2021, we have witnessed the underperformance of small-cap companies, in comparison to the broader market, as an uncertain macroeconomic environment saw a sell-off in small-cap companies with large-cap companies being favoured by investors.

S&P/ASX All Ordinaries Index vs S&P/ASX Small Ordinaries Index from 2021 to 2023



Contributors to the investment portfolio performance over the financial year included aged care provider Estia Health (ASX: EHE) and campervan rental and travel company Tourism Holdings (ASX: THL). We first invested in Estia Health in March 2021 as we believed the aged care sector would experience an earnings recovery following the impact on occupancy levels from the coronavirus pandemic in addition to the outcomes from the Royal Commission which completed in February 2021. Pleasingly, throughout the 2023 financial year, the company saw occupancy levels return to pre-coronavirus pandemic levels faster than analyst expectations, improved levels of government funding, accretive acquisitions and a takeover offer in April 2023 from Bain Capital.

We invested in Tourism Holdings in May 2020 which was trading at a discount to its net tangible asset (NTA) value as we believed that consumer budgets would be redirected from retail to tourism as borders reopened following the coronavirus pandemic. In the 2023 financial year, Tourism Holdings beat earnings expectations and acquired its largest competitor, Apollo Tourism and Leisure, in November

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Lead Portfolio Manager update

with approximately NZD23 to NZD24 million of synergies to be delivered over the next three years. We remain positive on the outlook for the tourism sector and believe Tourism Holdings is well placed to make earnings accretive acquisitions.

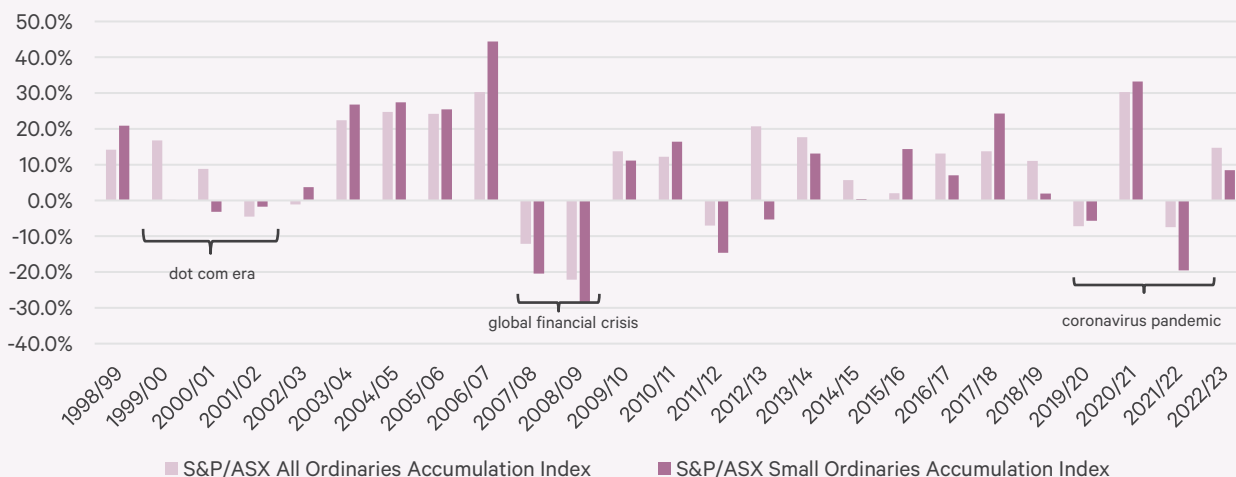
As is common with a balanced investment portfolio, WAM Research held companies that detracted from the investment portfolio performance, with two of those being engineering and construction company Maas Group Holdings (ASX: MGH) and almond producer Select Harvests (ASX: SHV). Poor weather and an over leveraged balance sheet impacted Maas Group Holdings over the 2023 financial year with the company disappointingly downgrading earnings expectations three times. Despite reducing the size of our shareholding in the company as a result, we remain optimistic over the prospects of the company as we believe the current share price materially undervalues the property that is held on Maas Group Holdings' balance sheet. We see upcoming catalysts of asset sales to support our thesis and look forward to a normalised period in terms of the weather to highlight the true run rate of earnings within the business which we believe can beat earnings expectations.

Select Harvests had a difficult year as almond prices continued to trade at 20 year lows. La Niña weather patterns impacted the 2023 crop, with volume forecast to fall 40% to 17,500 metric tonnes. We remain positive on the outlook for Select Harvests with the business currently trading at a 30% discount to the market value of its assets and almond prices are beginning to show signs of rallying after a weaker than expected Californian crop.

The year ahead

Over the last 25 years we have seen many periods where small-cap companies have underperformed the broader equity market. Examples of this include the dot com era from 2000 to 2002 and the global financial crisis from 2008 to 2009. Unfortunately, the last two years has been a difficult period where small-cap companies have underperformed the market by over 20%, with the vast majority of this underperformance occurring in the March 2022 quarter at the beginning of the Russia Ukraine war. These cycles are common, and while it has been a tough period for investing in small-cap companies, we believe the current cycle is coming to an end and the headwinds that we have witnessed can turn into tailwinds over the coming year.

S&P/ASX All Ordinaries Accumulation Index and S&P/ASX Small Ordinaries Accumulation Index yearly performance over the last 25 years



Lead Portfolio Manager update

The period from September 2021 to June 2023 has seen the S&P/ASX Small Ordinaries Accumulation Index underperform the S&P/ASX All Ordinaries Accumulation Index by 19.9%, representing one of the largest periods of divergence between the two indexes in recent times. In the United States, valuations of small-cap companies versus large-cap companies are trading at multi-decade lows, highlighting that this phenomenon is not limited to Australia and is something we are seeing across the world.

Pleasingly, there are signs that this period of underperformance is coming to an end and we are seeing many exciting opportunities from companies across an array of sectors that have been significantly impacted by the prevailing uncertain macroeconomic environment. The June 2023 quarter represented the first quarter since September 2021 where the S&P/ASX Small Industrials Accumulation Index outperformed the S&P/ASX All Ordinaries Accumulation Index. We believe we are approaching the end of the tightening cycle by global central banks and will soon enter an earnings downgrade cycle due to the prospects of a recession. While this may seem contradictory to earlier comments, we note that equity markets traditionally move 12 to 18 months in advance of earnings rebounding.

Heading into the 2024 financial year, the investment team is particularly excited about the retail sector. The retail sector was one of the hardest hit over the last two years. While we acknowledge the difficult macroeconomic conditions, we believe earnings estimates and share prices have already factored in this negativity. An example of this is Harvey Norman Holdings (ASX: HVN). The company's market capitalisation is now trading below the value of its property for only the third time in the last 15 years. This occurred with the onset of online shopping in 2012 and the early months of the coronavirus pandemic in 2020. Petrol station operator Viva Energy Group (ASX: VEA) is also set to conduct its largest store rollout in Australia over the next five years by converting its 700 Coles Express stores into the successful On The Run offering which dominates the South Australian market. We see a potential re-rating of Viva Energy Group's share price in the medium term as the business diversifies away from its highly cyclical division, with a greater exposure to more defensive convenience retail earnings.

After a challenging two years, we see a very strong period ahead for undervalued growth companies with a catalyst. We continue to maintain a flexible cash position to ensure we can benefit from share price volatility and take advantage of valuation anomalies.

Thank you for your continued support.



Oscar Oberg CFA
Lead Portfolio Manager

Lead Portfolio Manager update

WAM Research top 20 holdings

as at 30 June 2023

Code	Company	Portfolio Weightings
EHE	Estia Health Limited	6.7%
WEB	Webjet Limited	5.7%
VEA	Viva Energy Group Limited	5.3%
HLS	Healius Limited	5.1%
TUA	Tuas Limited	4.1%
TNE	Technology One Limited	3.5%
VUK	Virgin Money UK PLC	3.5%
MGH	Maas Group Holdings Limited	3.4%
RIC	Ridley Corporation Limited	3.3%
SHV	Select Harvests Limited	3.2%
SIG	Sigma Healthcare Limited	3.0%
SGF	SG Fleet Group Limited	2.9%
REH	Reece Limited	2.8%
THL	Tourism Holdings Limited	2.7%
CCP	Credit Corp Group Limited	2.6%
PME	Pro Medicus Limited	2.5%
TPW	Temple & Webster Group Limited	2.4%
HMC	HMC Capital Limited	2.3%
CAJ	Capital Health Limited	2.2%
KLS	Kelsian Group Limited	2.1%

The fair value of individual investments held at the end of the reporting period are disclosed on page 61.

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About Wilson Asset Management

Wilson Asset Management is passionate about making a difference for shareholders and the community for more than 25 years. As an investment manager, Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

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

Philanthropy

Geoff Wilson founded Future Generation Australia (ASX: FGX) in 2014 and Future Generation Global (ASX: FGG) in 2015. The Future Generation companies are Australia's first listed investment companies to provide both investment and social returns: the companies provide shareholders with exposure to leading Australian and global fund managers who deliver a stream of fully franked dividends and capital growth to investors. This group of leading fund managers manages more than \$1 billion in assets on a pro bono basis, waiving their performance and management fees. Their generosity allows the Future Generation companies to invest 1% of net tangible assets each year in not-for-profit organisations. Shareholders are able to decide which not-for-profits will receive the donation, whether it's supporting children and youth at risk (FGX) or investing in the promotion of wellbeing and preventing mental ill-health in young Australians (FGG). By 2030, Future Generation aims to have donated over \$100 million, with \$65.2 million donated since inception so far. The team at Wilson Asset Management continue to support both companies.

Wilson Asset Management is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. During the year, Wilson Asset Management and Future Generation team members were proud to support over 90 charities across several cause areas such as cancer research, homelessness and mental health. All philanthropic investments are made by the Investment Manager.

We are honoured to provide continued support to Olympic athletes, through managing over \$8 million for the Australian Olympic Committee (AOC) on a pro bono basis. The AOC provides crucial financial and institutional support to Australian athletes to compete at an Olympic level. All fees are foregone by the Investment Manager.

We also support a number of organisations through sponsorships and partnerships across a range of initiatives including the 2022 Wollongong UCI Road World Cycling Championship, The Australian Shareholder's Association, Sporting Chance Cancer Foundation, Women in Super and many more. All sponsorships and partnerships are made by the Investment Manager.

Advocacy and Education

As part of our focus on making a difference to shareholders and the community, our advocacy work for fair and equitable treatment of retail shareholders continues to be a priority. We firmly believe all shareholders, both retail and wholesale, should be treated equitably when investing in the Australian equity market.

Together we have been publicly fighting for the preservation of Paul Keating's franking system since the Labor party first proposed changes in 2018, a proposal that was going to deny cash refunds of franking credits to certain investors. In September 2021, the Australian Government announced proposed legislation changes to the Australian franking system, this time limiting the ability of Australian companies to pay fully franked dividends to their shareholders. Of the two pieces of legislation proposed, the one that concerns us the most relates to the Government's plan to stop

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About Wilson Asset Management

companies paying fully franked dividends that in Treasury's view are directly or indirectly funded by capital raisings. This legislation will stop small growth companies from raising capital and paying fully franked dividends and encourage large companies to focus on minimising tax paid in Australia. The second piece of legislation regarding the off-market buy-backs will restrict a company's ability to equitably manage its capital.

Following a public consultation period and our extensive engagement with Federal MPs and Senators, a Senate Inquiry was held to take a deeper look into the details of the proposed changes. This has now taken place and the committee acknowledged Schedule 5 of the Bill: Franked distributions funded by capital raisings needs clarification, an important victory for us all including industry and taxation experts, lawyers and academics who agree that this legislation is flawed. Unfortunately, they did not grasp that Schedule 4 of the Bill: Off-market share buy-backs also has significant unintended consequences and needs redrafting.

The Australian franking system has been part of the reason Australia has seen more than three decades of economic stability and growth. It has encouraged Australian companies and shareholders to invest in Australia, employ Australians, pay tax in Australia and in turn create more local jobs and ownership of Australian companies by Australians. We will continue to engage with Federal members of parliament, raising awareness about the long term unintended consequences of the proposed legislation.

We also remain committed to education initiatives which advocate for change and progress in corporate Australia. We support the University of New South Wales' School of Mathematics and Statistics' Do The Maths program, which aims to inspire girls in high school to consider tertiary studies and careers in mathematics and statistics. We believe in the importance of gender diversity in the financial services industry, in particular funds management, which provides rewarding career paths. We regularly host Women's Investor Events which give likeminded women a platform to network and enhance financial literacy, while our Young Investor Events aim to inspire the next generation to begin their investment journey early.

Shareholder engagement and communication

Shareholders are the owners of WAM Research; Wilson Asset Management's responsibility is to manage the Company on your behalf and be available to report to you on a regular basis. We encourage all shareholders to communicate with us and share their feedback. We have a variety of options to keep you informed, including:

- ✓ Email updates from our Lead Portfolio Managers
- ✓ Shareholder Presentations and events
- ✓ Investment team insights including 'Buy Hold Sell' videos
- ✓ Shareholder Q&A webinars
- ✓ Monthly net tangible asset reports and investment updates
- ✓ Roundtables with planners, advisers and their clients
- ✓ Social media engagement
- ✓ Investor education material
- ✓ Annual and interim results announcements

As always, please contact us by phone on (02) 9247 6755 or by email at info@wilsonassetmanagement.com.au if you ever have any questions or feedback.

Objectives and investment process

Investment objectives

The investment objectives of WAM Research are to:

- deliver investors a stream of fully franked dividends; and
- achieve a high real rate of return, comprising both income and capital growth within risk parameters acceptable to the Directors.

Investment process – the most compelling undervalued growth companies in the Australian market

WAM Research provides investors with access to Wilson Asset Management’s research-driven process, focused on identifying undervalued growth companies. This investment process involves diligent and deep research that focuses on free cash flow, return on equity and the quality of a company. Each company is carefully rated with respect to management, earnings growth potential, valuation and industry position. Under this proprietary process, the investment team will only ever invest in a security once it can identify a catalyst or event that it expects will change the market’s valuation of the company.



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Directors' Report to shareholders for the year ended 30 June 2023

The Directors present their report together with the financial report of WAM Research for the financial year ended 30 June 2023.

Principal activity

The principal activity of the Company is making investments in listed companies. The Company's investment objectives are to deliver a stream of fully franked dividends and to achieve a high real rate of return, comprising both income and capital growth, within the risk parameters acceptable to the Directors. No change in this activity took place during the year or is likely to in the future.

Operating and financial review

Investment operations over the year resulted in an operating profit before tax of \$22,645,919 (FY2022: operating loss before tax of \$31,066,708) and an operating profit after tax of \$16,854,237 (FY2022: operating loss after tax of \$20,698,660). The operating profit for 2023 is reflective of the solid performance of the investment portfolio. The investment portfolio increased 14.1% in the 12 months to 30 June 2023, while the S&P/ASX Small Ordinaries Accumulation Index and the S&P/ASX All Ordinaries Accumulation Index rose 8.4% and 14.8% respectively.

The operating profit for the year includes unrealised gains or losses arising from changes in the fair value of the investments held in the portfolio during the period. This movement in the fair value of investments can add to or reduce the realised gains and losses on the investment portfolio and other revenue from operating activities (such as dividend and interest income) in each period. This treatment under the Accounting Standards can cause large variations in reported operating profits between periods.

The operating profit or loss for each financial period is reflective of the underlying investment portfolio performance and is important to understand with context to the overall performance of equity markets in any given period. As a result, we believe the more appropriate measures of the financial results for the period are the investment portfolio performance, the change in net tangible assets (NTA) and fully franked dividends, together with total shareholder return.

Further information on the three key listed investment company performance measures and the operating and financial review of the Company is contained in the Chairman's Letter.

Financial position

The net asset value of the Company as at 30 June 2023 was \$199,136,629 (2022: \$198,826,033). Further information on the financial position of the Company is contained in the Chairman's Letter.

Significant changes in state of affairs

There was no significant change in the state of affairs of the Company during the year ended 30 June 2023.

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Dividends paid or recommended

Dividends paid or declared during the year are as follows:

	\$
Fully franked FY2022 final dividend of 5.0 cents per share paid on 17 October 2022	9,901,937
Fully franked FY2023 interim dividend of 5.0 cents per share paid on 21 April 2023	9,971,589

Since the end of the year, the Directors declared a final dividend of 5.0 cents per share, partially franked at 60%, to be paid on 16 October 2023.

The Board is committed to paying a stream of fully franked dividends, provided the Company has sufficient profits reserves and franking credits and it is within prudent business practices. The ability to generate franking credits is dependent on the future franked dividends received from investee companies held within the investment portfolio, and future tax paid on realised profits generated by the investment portfolio.

Directors

The following persons were Directors of the Company during the financial year and up to the date of this report:

- Geoff Wilson AO
- Kate Thorley
- Julian Gosse
- John Abernethy

Information on Directors

Geoff Wilson AO (Chairman – non-independent)

Experience and expertise

Geoff Wilson has over 43 years' direct experience in investment markets having held a variety of senior investment roles in Australia, the UK and the US. Geoff founded Wilson Asset Management in 1997 and created Australia's first listed philanthropic wealth creation vehicles, Future Generation Australia Limited and Future Generation Global Limited. Geoff holds a Bachelor of Science, a Graduate Management Qualification and is a Fellow of the Financial Services Institute of Australia and the Australian Institute of Company Directors (AICD).

Geoff Wilson has been Chairman of the Company since June 2003.

Other current listed company directorships

Geoff Wilson is currently Chairman of WAM Capital Limited (appointed March 1999), WAM Active Limited (appointed July 2007), WAM Leaders Limited (appointed March 2016), WAM Microcap Limited (appointed March 2017), WAM Global Limited (appointed February 2018) and WAM Strategic Value Limited (appointed March 2021). He is the founder and a Director of Future Generation Australia Limited (appointed July 2014) and Future Generation Global Limited (appointed May 2015) and a Director of WAM Alternative Assets Limited (appointed September 2020), Global Value Fund Limited (appointed April 2014) and Hearts and Minds Investments Limited (appointed September 2018).

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Geoff Wilson (Chairman – non-independent) (cont'd)

Former listed company directorships in the last 3 years

Geoff Wilson resigned as a director of 8IP Emerging Companies Limited in September 2020 and Australian Leaders Fund Limited in March 2021.

Special responsibilities

Chairman of the Board.

Interests in shares of the Company

Details of Geoff Wilson's interests in shares of the Company are included later in this report.

Interests in contracts

Details of Geoff Wilson's interests in contracts of the Company are included later in this report.

Kate Thorley (Director – non-independent)

Experience and expertise

Kate Thorley has over 18 years' experience in the funds management industry and more than 24 years of financial accounting and corporate governance experience. Kate is the Chief Executive Officer of Wilson Asset Management (International) Pty Limited, Director of WAM Capital Limited, WAM Active Limited, WAM Leaders Limited, WAM Microcap Limited, WAM Global Limited, WAM Strategic Value Limited, Future Generation Australia Limited and Future Generation Global Limited. She holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance and Investment, Graduate Diploma of Applied Corporate Governance and is a fully qualified CA. She is a Graduate member of the AICD (GAICD).

Kate Thorley has been a Director of the Company since August 2014.

Other current listed company directorships

Kate Thorley is a Director of WAM Active Limited (appointed July 2014), WAM Leaders Limited (appointed March 2016), Future Generation Australia Limited (appointed April 2015), WAM Capital Limited (appointed August 2016), WAM Microcap Limited (appointed March 2017), WAM Global Limited (appointed February 2018), Future Generation Global Limited (appointed March 2021) and WAM Strategic Value Limited (appointed March 2021).

Former listed company directorships in the last 3 years

Kate Thorley has not resigned as a Director from any listed companies within the last three years.

Special responsibilities

Member of the Audit and Risk Committee.

Interests in shares of the Company

Details of Kate Thorley's interests in shares of the Company are included later in this report.

Interests in contracts

Kate Thorley has no interests in contracts of the Company.

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John Abernethy (Director – independent)

Experience and expertise

John Abernethy has over 40 years' experience in funds management and corporate advisory. He spent ten years at NRMA Investments as Head of Equities. In 1994 he joined Poynton Corporate Limited as an Executive Director before forming Clime Investment Management Limited (formerly Loftus Capital Partners Limited) in 1996. John was also appointed Chairman of Clime Capital Limited in July 2009. He has a Bachelor of Law and Commerce from The University of New South Wales.

John Abernethy has been a Director of the Company since May 2002.

Other current listed company directorships

John Abernethy is Chairman of Clime Capital Limited (appointed July 2009) and Clime Investment Management Limited (appointed July 2000).

Former listed company directorships in the last 3 years

John Abernethy resigned as a director of Australian Leaders Fund Limited in March 2021.

Special responsibilities

Chairman of the Audit and Risk Committee.

Interests in shares of the Company

Details of John Abernethy's interests in shares of the Company are included later in the report.

Interests in contracts

John Abernethy has no interests in contracts of the Company.

Julian Gosse (Director – independent)

Experience and expertise

Julian Gosse has spent the last 25 years of his career working as a Professional Director of Public Companies. Prior to that he was involved in the stockbroking, merchant banking and venture capital industries.

Julian Gosse has been a Director of the Company since June 2003.

Other current listed company directorships

Julian Gosse is a Director of Clime Capital Limited (appointed November 2003).

Former listed company directorships in the last 3 years

Julian Gosse resigned as a director of Greenvale Mining Limited in September 2020 and Australian Leaders Fund Limited in March 2021.

Special responsibilities

Member of the Audit and Risk Committee.

Interests in shares of the Company

Julian Gosse has no interests in shares of the Company.

Interests in contracts

Julian Gosse has no interests in contracts of the Company.

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Joint Company Secretaries

The following persons held the position of Joint Company Secretary at the end of the financial year:

Jesse Hamilton

Jesse Hamilton is a Chartered Accountant with more than 15 years' experience working in advisory and assurance services, specialising in funds management. As the Chief Financial Officer, Jesse oversees all finance and accounting of Wilson Asset Management (International) Pty Limited. He is Company Secretary for WAM Alternative Assets Limited and WAM Strategic Value Limited, and Joint Company Secretary for WAM Capital Limited, WAM Leaders Limited, WAM Global Limited, WAM Microcap Limited, WAM Research Limited and WAM Active Limited, in addition to Future Generation Australia Limited and Future Generation Global Limited. Prior to joining Wilson Asset Management, Jesse worked as Chief Financial Officer of an ASX listed company and also worked as an advisor specialising in assurance services, valuations, mergers and acquisitions, financial due diligence and capital raising activities for listed investment companies.

Jesse Hamilton was appointed Company Secretary of WAM Research in November 2020.

Linda Kiriczenko

Linda Kiriczenko has over 18 years' experience in financial accounting including more than 14 years in the funds management industry. As the Finance Manager of Wilson Asset Management (International) Pty Limited, Linda oversees finance and accounting and is also Joint Company Secretary for six listed investment companies, WAM Capital Limited, WAM Leaders Limited, WAM Global Limited, WAM Microcap Limited, WAM Research Limited and WAM Active Limited. Linda holds a Bachelor of Commerce and is a fully qualified CPA. She is a certified member of the Governance Institute of Australia.

Linda Kiriczenko was appointed Company Secretary of WAM Research in May 2016.

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each Director of WAM Research.

a) Remuneration of Directors

All Directors of WAM Research are non-executive Directors. The Board from time to time determines remuneration of Directors within the maximum amount approved by the shareholders at the Annual General Meeting. Directors are not entitled to any other remuneration.

Fees and payments to Directors reflect the demands that are made on and the responsibilities of the Directors and are reviewed annually by the Board. The Company determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced Directors.

The maximum total remuneration of the Directors of the Company has been set at \$120,000 per annum. Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities and membership of committees.

Remuneration Report (Audited) (cont'd)**a) Remuneration of Directors (cont'd)**

Directors' remuneration received for the year ended 30 June 2023:

Director	Position	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,050	950	10,000
Kate Thorley	Director	9,050	950	10,000
John Abernethy	Director	27,149	2,851	30,000
Julian Gosse	Director	30,000	-	30,000
		75,249	4,751	80,000

Directors receive a superannuation guarantee contribution required by the government, which was 10.5% of individuals benefits for FY2023 (FY2022: 10%) and do not receive any other retirement benefits. Directors may also elect to salary sacrifice their fees into superannuation.

Directors' remuneration received for the year ended 30 June 2022:

Director	Position	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,091	909	10,000
Kate Thorley	Director	9,091	909	10,000
John Abernethy	Director	27,273	2,727	30,000
Julian Gosse	Director	30,000	-	30,000
		75,455	4,545	80,000

The following table reflects the Company's performance and Directors' remuneration over five years:

	2023	2022	2021	2020	2019
Operating profit/(loss) after tax (\$)	\$16,854,237	(\$20,698,660)	\$52,288,040	(\$7,835,978)	\$1,611,935
Dividends (cents per share)	10.0	10.0	9.9	9.8	9.7
Share price (\$ per share)	\$1.06	\$1.295	\$1.645	\$1.32	\$1.325
NTA after tax (\$ per share)	\$0.99	\$1.00	\$1.20	\$1.03	\$1.16
Total Directors' remuneration (\$)	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Shareholder's equity (\$)	\$199,136,629	\$198,826,033	\$235,632,242	\$198,801,151	\$221,998,505

As outlined above, Directors' fees are not directly linked to the Company's performance.

b) Director related entities remuneration

All transactions with related entities during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with MAM Pty Limited (the Investment Manager or the Manager), part of the Wilson Asset Management Group. Geoff Wilson is the Director of MAM Pty Limited, the entity appointed to manage the investment portfolio of WAM Research. Entities

Remuneration Report (Audited) (cont'd)

b) Director related entities remuneration

associated with Geoff Wilson hold 100% of the issued shares of MAM Pty Limited. In its capacity as the Manager, and in accordance with the investment management agreement, MAM Pty Limited was paid a management fee of 1% p.a. (plus GST) of the value of the portfolio amounting to \$2,117,908 inclusive of GST (2022: \$2,521,828). As at 30 June 2023, the balance payable to the Manager was \$171,887 inclusive of GST (2022: \$169,207).

In addition, MAM Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of:

- where the level of the S&P/ASX All Ordinaries Accumulation Index has increased over that period, the amount by which the value of the portfolio exceeds this increase; or
- where the S&P/ASX All Ordinaries Accumulation Index has decreased over that period, the amount of the increase in value of the portfolio.

No performance fee is payable in respect of any performance period where the value of the portfolio has decreased over that period. For the year ended 30 June 2023, no performance fee was payable to MAM Pty Limited (2022: nil).

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Research to provide accounting and company secretarial services on commercial terms. For the year ended 30 June 2023, the fee for accounting services amounted to \$46,200 inclusive of GST (2022: \$46,200) and the fee for company secretarial services amounted to \$16,500 inclusive of GST (2022: \$16,500). Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

These amounts are in addition to the above Directors' remuneration. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related company of the Director or with a firm of which he/she is a member or with a company in which he/she has substantial financial interest.

c) Remuneration of executives

There are no executives that are paid by the Company. MAM Pty Limited, the Investment Manager of the Company, provides the day to day management of the Company and is remunerated for these services as outlined above.

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Remuneration Report (Audited) (cont'd)**d) Equity instruments disclosures of Directors and related parties**

As at the date of this report, the Company's Directors and their related parties held the following interests in the Company:

Ordinary shares held Directors	Balance at 30 June 2022	Acquisitions	Disposals	Balance at 30 June 2023
Geoff Wilson	120,242	-	-	120,242
Kate Thorley	68,317	-	-	68,317
John Abernethy	10,000	-	-	10,000
Julian Gosse	-	-	-	-
	198,559	-	-	198,559

There have been no changes in shareholdings disclosed above between 30 June 2023 and the date of the report.

Directors and director related entities disposed of and acquired ordinary shares in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end of the financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

- End of Remuneration Report -**Directors' meetings**

Director	No. eligible to attend	Attended
Geoff Wilson	4	4
Kate Thorley	4	4
John Abernethy	4	4
Julian Gosse	4	4

Audit and Risk Committee meetings

The main responsibilities of the Audit and Risk Committee are set out in the Company's 2023 Corporate Governance Statement.

Audit and Risk Committee member	No. eligible to attend	Attended
John Abernethy	4	4
Kate Thorley	4	4
Julian Gosse	4	4

After balance date events

Since the end of the year, the Directors declared a final dividend of 5.0 cents per share, partially franked at 60%, to be paid on 16 October 2023.

No other matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Future developments

The Company will continue to pursue investment activities – primarily investing in equities listed on the Australian Securities Exchange – to achieve the Company's stated objectives.

The Company's future performance is dependent on the performance of the Company's investments. In turn, the performance of these investments is impacted by investee company-specific factors and prevailing industry conditions. In addition, a range of external factors including economic growth rates, interest rates, exchange rates and macro-economic conditions impact the overall equity market and these investments.

As such, we do not believe it is possible or appropriate to accurately predict the future performance of the Company's investments and, therefore, the Company's performance.

Environmental regulation

The Company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or Territory.

Indemnification and insurance of officers or Auditors

During the financial year the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and any related body corporate against liability incurred as such by a Director or Secretary to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Proceedings on behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit services

During the year Pitcher Partners, the Company's auditor, performed taxation services to the Company. Details of the amounts paid to the auditors and their related parties are disclosed in Note 5 to the financial statements.

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 5 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit and Risk Committee to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with the APES 110: Code of Ethics for Professional Accountants (including Independence Standards) set by the Accounting Professional and Ethical Standards Board.

Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report have been rounded to the nearest dollar, unless otherwise indicated.

Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2023 is provided on the Company's website at wilsonassetmanagement.com.au.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 30 of the Annual Report.

Signed in accordance with a resolution of the Board of Directors.



Geoff Wilson AO
Chairman

Dated this 24th day of August 2023

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Pitcher Partners Sydney Partnership

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

**Auditor's Independence Declaration
To the Directors of WAM Research Limited
ABN 15 100 504 541**

In relation to the independent audit of WAM Research Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

A handwritten signature in black ink, appearing to read "S M Whiddett".

S M Whiddett
Partner

Pitcher Partners
Sydney

24 August 2023

Statement of comprehensive income for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Net realised and unrealised gains/(losses) on financial assets and foreign currency		20,005,756	(31,841,945)
Other revenue from operating activities	2	5,783,628	4,221,434
Management fees		(1,973,505)	(2,349,885)
Directors fees		(80,000)	(80,000)
Brokerage expense on share purchases		(513,435)	(497,117)
Custody fees		(16,374)	(19,285)
ASX listing and chess fees		(119,802)	(107,234)
Share registry fees		(95,625)	(91,832)
ASIC industry funding levy		(7,531)	(11,330)
Other expenses from ordinary activities		(337,193)	(289,514)
Profit/(loss) before income tax		22,645,919	(31,066,708)
Income tax (expense)/benefit	3(a)	(5,791,682)	10,368,048
Profit/(loss) after income tax attributable to members of the Company		16,854,237	(20,698,660)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Unrealised losses on investments taken to equity, net of tax		(258,332)	(220,723)
Total comprehensive income/(loss) for the year		16,595,905	(20,919,383)
Basic and diluted earnings/(loss) per share	14	8.45 cents	(10.52 cents)

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	12	11,212,328	37,631,176
Trade and other receivables	6	4,719,531	3,296,284
Financial assets at fair value through profit or loss	7	172,606,385	144,926,785
Total current assets		188,538,244	185,854,245
Non-current assets			
Financial assets at fair value through other comprehensive income	7	1,433,459	1,802,505
Deferred tax assets	3(b)	13,591,029	16,844,444
Total non-current assets		15,024,488	18,646,949
Total assets		203,562,732	204,501,194
Current liabilities			
Trade and other payables	8	2,749,468	3,351,373
Current tax liabilities	3(c)	1,676,635	2,323,788
Total current liabilities		4,426,103	5,675,161
Total liabilities		4,426,103	5,675,161
Net assets		199,136,629	198,826,033
Equity			
Issued capital	9	222,234,613	218,646,396
Reserves	10	54,875,897	57,026,160
Accumulated losses	11	(77,973,881)	(76,846,523)
Total equity		199,136,629	198,826,033

The accompanying notes form part of these financial statements.

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Statement of changes in equity for the year ended 30 June 2023

	Note	Issued capital \$	Accumulated losses \$	Profits reserve \$	Asset revaluation reserve \$	Other reserves \$	Total equity \$
Balance at 1 July 2021		214,993,833	(43,806,559)	83,824,104	426,211	(19,805,347)	235,632,242
Loss for the year		-	(20,698,660)	-	-	-	(20,698,660)
Transfer to profits reserve		-	(12,341,304)	12,341,304	-	-	-
Other comprehensive income for the year		-	-	-	(220,723)	-	(220,723)
Transactions with owners:							
Shares issued via dividend reinvestment plan	9(b)	3,652,563	-	-	-	-	3,652,563
Dividends paid	4(a)	-	-	(19,539,389)	-	-	(19,539,389)
Balance at 30 June 2022		218,646,396	(76,846,523)	76,626,019	205,488	(19,805,347)	198,826,033
Profit for the year		-	16,854,237	-	-	-	16,854,237
Transfer to profits reserve		-	(17,981,595)	17,981,595	-	-	-
Other comprehensive income for the year		-	-	-	(258,332)	-	(258,332)
Transactions with owners:							
Shares issued via dividend reinvestment plan	9(b)	3,588,217	-	-	-	-	3,588,217
Dividends paid	4(a)	-	-	(19,873,526)	-	-	(19,873,526)
Balance at 30 June 2023		222,234,613	(77,973,881)	74,734,088	(52,844)	(19,805,347)	199,136,629

The accompanying notes form part of these financial statements.

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Statement of cash flows for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Proceeds from sale of investments		432,644,677	450,001,515
Payments for purchase of investments		(442,350,526)	(393,205,264)
Dividends received		5,230,455	4,269,936
Interest received		553,173	65,459
Other investment income received		-	14,566
Management fee (GST inclusive)		(2,115,228)	(2,577,093)
Performance fee (GST inclusive)		-	(5,736,487)
Brokerage expense on share purchases (GST inclusive)		(550,129)	(532,851)
Payments for administration expenses (GST inclusive)		(662,496)	(520,607)
Income tax paid		(3,074,706)	(7,726,901)
GST on brokerage expense on share sales		(40,724)	(40,241)
Net GST received from the ATO		231,965	667,350
Net cash (used in)/provided by operating activities	13	(10,133,539)	44,679,382
Cash flows from financing activities			
Dividends paid – net of reinvestment		(16,285,309)	(15,886,826)
Net cash used in financing activities		(16,285,309)	(15,886,826)
Net (decrease)/increase in cash and cash equivalents held		(26,418,848)	28,792,556
Cash and cash equivalents at beginning of the year		37,631,176	8,838,620
Cash and cash equivalents at the end of the year	12	11,212,328	37,631,176
Non-cash transactions:			
Shares issued via dividend reinvestment plan	9(b)	3,588,217	3,652,563

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2023

1. Significant accounting policies

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

WAM Research is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue on 24 August 2023 by the Board of Directors.

WAM Research is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures the financial statements and notes also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Significant accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, with the exception of certain financial assets and liabilities which have been measured at fair value. All amounts are presented in Australian dollars.

In accordance with ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Financial Report have been rounded to the nearest dollar, unless otherwise indicated.

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. There was no material impact to the financial statements.

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes party to the contractual provisions of the asset. This is equivalent to the date that the Company commits itself to purchase or sell the asset (i.e. trade date accounting is adopted). Financial assets are initially measured at fair value.

Classification and subsequent measurement

Financial assets are subsequently measured at fair value. Current market prices for all quoted investments are used to determine fair value. For all listed or unlisted securities that are not traded in an active market, valuation techniques are applied to determine fair value, including recent arm's length transactions and reference to similar instruments.

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1. Significant accounting policies (cont'd)

a) Financial assets (cont'd)

Classification and subsequent measurement (cont'd)

The Company classifies its financial assets into the following categories:

(i) Financial assets at fair value through profit or loss

Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise. Financial assets at fair value through profit or loss are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset.

(ii) Financial assets at fair value through other comprehensive income

Financial assets that are not held for trading are irrevocably classified as financial assets at fair value through other comprehensive income and are recognised initially at cost. The Company has elected to present subsequent changes in the fair value of financial assets in the Statement of comprehensive income through the asset revaluation reserve after deducting a provision for the potential deferred capital gains tax liability. When an investment is disposed, the cumulative gain or loss, net of tax thereon, is transferred from the asset revaluation reserve to the capital profits reserve.

b) Income tax

The current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the end of the current financial year. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred tax is accounted for using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets relating to temporary differences and unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are only offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net

1. Significant accounting policies (cont'd)

b) Income tax (cont'd)

settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions and term deposits maturing within six months or less.

d) Revenue and other income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

e) Trade and other receivables

Trade and other receivables are non-derivative financial assets and are initially recognised at fair value. They are subsequently stated at amortised cost, less any provision for impairment. Refer to Note 1(g) for further detail.

f) Trade and other payables

Trade and other payables are non-derivative financial liabilities and are stated at their amortised cost.

g) Impairment of assets

The Company applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. All the trade receivables of the Company share the same credit risk characteristics. Indicators that there is no reasonable expectation of recovery include, amongst others, the Standard & Poor's credit risk rating of a debtor, and a failure to make contractual payments for a period of greater than 30 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within the Statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item. As at 30 June 2023, there are no expected credit losses recognised (2022: nil).

h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as an asset or liability in the Statement of financial position.

Cash flows are presented in the Statement of cash flows on a gross basis (inclusive of GST), except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

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1. Significant accounting policies (cont'd)

i) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

j) Profits reserve

The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

l) Dividends

Dividends are recognised when declared during the financial year.

m) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

In accordance with AASB 112 Income Taxes, deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be used. The assumptions about future taxable profits require the use of judgment. Future taxable profits are determined based on the historical performance of the Company and the ability of the Company to generate positive performance even when market conditions are uncertain. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Refer to Note 3(b) for further detail.

There are no other estimates or judgments that have a material impact on the Company's financial results for the year ended 30 June 2023. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgments are required in respect to their valuation.

n) New standards and interpretations not yet adopted

There are no new standards or interpretations not yet adopted that would have a material impact for the Company this financial period.

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2. Other revenue

	2023 \$	2022 \$
Australian sourced dividends	4,840,863	3,881,168
Interest	553,173	65,459
Foreign sourced dividends	389,592	260,241
Underwriting fees	-	14,566
	5,783,628	4,221,434

3. Income tax

a) Income tax expense/(benefit)

The prima facie tax on profit/(loss) before income tax is reconciled to the income tax (benefit)/expense as follows:

	2023 \$	2022 \$
Prima facie tax on profit/(loss) before income tax at 30% (2022: 30%)	6,793,776	(9,320,012)
Imputation credit gross up	410,496	435,505
Franking credit offset	(1,368,319)	(1,451,685)
Foreign income tax gross up	20,625	13,653
Foreign income tax offset	(68,751)	(45,509)
Under provision in prior period	3,855	-
	5,791,682	(10,368,048)
Effective tax rate	25.6%	(33.4%)

The effective tax rate reflects the benefit to the Company of franking credits received on dividend income during the year. The increase in the effective tax rate from the comparative year is reflective of the profit before income tax in comparison to the loss before income tax in the prior period, in addition to the higher proportion of franked dividend income received compared to the operating result for the year.

	2023 \$	2022 \$
Total income tax expense/(benefit) results in a:		
Current tax liability	2,427,553	4,723,119
Deferred tax asset	3,364,129	(5,754,498)
Deferred tax liability	-	(9,336,669)
	5,791,682	(10,368,048)

3. Income tax (cont'd)**b) Deferred tax assets**

	2023 \$	2022 \$
Tax losses	11,165,639	11,165,639
Fair value adjustments and timing differences on receivables	2,412,850	5,667,205
Provisions	12,540	11,600
	13,591,029	16,844,444
Movement in deferred tax assets		
Balance at the beginning of the period	16,844,444	11,178,011
(Charged)/credited to the Statement of comprehensive income	(3,364,129)	5,754,498
Credited to equity	110,714	-
Transfer of fair value adjustments on financial assets held at fair value through other comprehensive income	-	(88,065)
At reporting date	13,591,029	16,844,444

The Directors continue to consider it probable that future taxable profits will be available against which the \$11,165,639 (2022: \$11,165,639) of income tax losses can be recovered and therefore, the deferred tax asset recognised will be able to be utilised against future income tax payable. Refer to Note 1(m) for details regarding the assumptions about future taxable profits. Refer to Note 1(m) for details regarding the assumptions about future taxable profits.

c) Current tax liabilities

	2023 \$	2022 \$
Balance at the beginning of the year	2,323,788	5,327,570
Current year income tax on operating profit/(loss)	2,427,553	4,723,119
Income tax paid	(3,074,706)	(7,726,901)
At reporting date	1,676,635	2,323,788

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3. Income tax (cont'd)**d) Deferred tax liabilities**

	2023 \$	2022 \$
Fair value adjustments and timing differences on receivable	-	-
	-	-
Movement in deferred tax liabilities		
Balance at the beginning of the year	-	9,519,330
Credited to the Statement of comprehensive income	-	(9,336,669)
Credited to equity	-	(94,596)
Transfer of fair value adjustments on financial assets held at fair value through other comprehensive income	-	(88,065)
At reporting date	-	-

4. Dividends**a) Ordinary dividends paid during the year**

	2023 \$	2022 \$
Final dividend FY2022: 5.0 cents per share fully franked at 30% tax rate, paid 17 October 2022 (Final dividend FY2021: 4.95 cents per share fully franked)	9,901,937	9,692,998
Interim dividend FY2023: 5.0 cents per share fully franked at 30% tax rate, paid 21 April 2023 (Interim dividend FY2022: 5.0 cents per share fully franked)	9,971,589	9,846,391
	19,873,526	19,539,389

b) Dividends not recognised at year end

	2023 \$	2022 \$
In addition to the above dividends, since the end of the year, the Directors have declared a 5.0 cents per share partially franked dividend at 60% (2022: 5.0 cents per share fully franked) which has not been recognised as a liability at the end of the financial year:	10,044,257	9,901,937

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4. Dividends (cont'd)

c) Dividend franking account

	2023 \$	2022 \$
Balance of franking account at year end	923,759	4,997,961
Adjusted for franking credits arising from: - Estimated income tax payable	1,676,635	2,323,788
Subsequent to year end, the franking account would be reduced by the proposed dividend disclosed in Note 4(b):	(2,582,809)	(4,243,687)
	17,585	3,078,062

The Company's ability to continue to pay franked dividends is dependent on generating additional profits reserves and franking credits. The ability to generate franking credits is dependent on the future franked dividends received from investee companies held within the investment portfolio, and future tax paid on realised profits generated by the investment portfolio.

The balance of the franking account does not include tax to be paid on unrealised investment gains at the end of the reporting period. As at 30 June 2023, the deferred tax in relation to fair value movements on the financial assets held at fair value through profit and loss is in a debit balance of \$2,390,202 and this amount has been presented as a deferred tax asset (2022: debit balance of \$5,755,270 presented as a deferred tax asset).

5. Auditor's remuneration

	2023 \$	2022 \$
Remuneration of the auditor for:		
Auditing and reviewing the financial report	54,257	48,794
Other services provided by a related practice of the auditor:		
Taxation services	9,185	7,865
	63,442	56,659

The Company's Audit and Risk Committee oversees the relationship with the Company's external auditor. The Audit and Risk Committee reviews the scope of the audit and review and the proposed fee. It also reviews the cost and scope of other services provided by a related entity of the audit firm, to ensure that they do not compromise independence.

6. Trade and other receivables

	2023 \$	2022 \$
Outstanding settlements	4,658,533	3,240,168
GST receivable	60,998	56,116
	4,719,531	3,296,284

6. Trade and other receivables (cont'd)

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within two days from the date of the transaction. Investment income receivable relates to interest, dividends and trust distributions receivable at the end of the reporting period.

7. Financial assets

	2023 \$	2022 \$
Financial assets at fair value through profit or loss	172,606,385	144,926,785
Financial assets at fair value through other comprehensive income	1,433,459	1,802,505
	174,039,844	146,729,290
Financial assets at fair value through other comprehensive income:		
- Clime Investment Management Limited	1,124,118	1,479,103
- Clime Private Limited	309,341	323,402
	1,433,459	1,802,505

The fair values of individual investments held at the end of the reporting period are disclosed on page 61 of the Annual Report.

8. Trade and other payables

	2023 \$	2022 \$
Outstanding settlements	2,397,618	3,011,258
Management fee payable	179,963	169,207
Sundry creditors	171,887	170,908
	2,749,468	3,351,373

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within two days from the date of the transaction. Sundry creditors are settled within the terms of payment offered. No interest is applicable on these accounts.

9. Issued capital

a) Paid-up capital

	2023 \$	2022 \$
200,885,140 ordinary shares fully paid (2022: 198,038,747)	222,234,613	218,646,396

9. Issued capital (cont'd)

b) Ordinary shares

	2023 \$	2022 \$
Balance at the beginning of the year 198,038,747 ordinary shares fully paid (2022: 195,818,039)	218,646,396	214,993,833
1,393,035 ordinary shares issued on 17 October 2022 under a dividend reinvestment plan	1,811,113	-
1,453,358 ordinary shares issued on 21 April 2023 under a dividend reinvestment plan	1,777,104	-
1,109,813 ordinary shares issued on 22 October 2021 under a dividend reinvestment plan	-	1,830,202
1,110,895 ordinary shares issued on 14 April 2022 under a dividend reinvestment plan	-	1,822,361
At reporting date	222,234,613	218,646,396

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholder meetings, with all substantive resolutions conducted by a poll. In the event of winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

c) Capital management

The Board manages the Company's capital by regularly reviewing the most efficient manner by which the Company deploys its capital. At the core of this, the Board is of the belief that shareholder value should be preserved through the management of the level of distributions to shareholders, share placements, share purchase plans, option issues and share buy-backs. These capital management initiatives will be used when deemed appropriate by the Board. There have been no changes in the strategy adopted by the Board to manage the capital of the Company during the year. The Company is not subject to any externally imposed capital requirements.

10. Reserves

	2023 \$	2022 \$
Profits reserve	74,734,088	76,626,019
Asset revaluation reserve	(52,844)	205,488
Capital profits reserve – capital account	42,194	42,194
Capital profits reserve – revenue account	(19,847,541)	(19,847,541)
	54,875,897	57,026,160

10. Reserves (cont'd)

The profits reserve is made up of amounts transferred from current year profits and are preserved for future dividend payments. The asset revaluation reserve is used to record increments and decrements on the revaluation of the financial assets at fair value through other comprehensive income, net of potential tax. The capital profits reserve records gains or losses arising from the disposal of financial assets at fair value through other comprehensive income, that are designated on revenue or capital account for taxation purposes respectively.

	2023 \$	2022 \$
Movement in profits reserve		
Balance at the beginning of the year	76,626,019	83,824,104
Transfer of profits during the year	17,981,595	12,341,304
Final dividend paid (refer Note 4(a))	(9,901,937)	(9,692,998)
Interim dividend paid (refer Note 4(a))	(9,971,589)	(9,846,391)
At reporting date	74,734,088	76,626,019
Movement in asset revaluation reserve		
Balance at the beginning of the year	205,488	426,211
Other comprehensive income	(258,332)	(220,723)
At reporting date	(52,844)	205,488

11. Accumulated losses

	2023 \$	2022 \$
Balance at the beginning of the year	(76,846,523)	(43,806,559)
Profit/(loss) for the year attributable to members of the Company	16,854,237	(20,698,660)
Transfer to profits reserve	(17,981,595)	(12,341,304)
	(77,973,881)	(76,846,523)

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12. Cash and cash equivalents

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

	2023 \$	2022 \$
Cash at bank	11,212,328	37,631,176
	11,212,328	37,631,176

The weighted average interest rate for cash as at 30 June 2023 is 4.25% (2022: 0.99%). There were no term deposits held at 30 June 2023 (2022: nil).

13. Cash flow information

	2023 \$	2022 \$
Reconciliation of profit/(loss) after tax to cash flow from operations:		
Profit/(loss) after income tax	16,854,237	(20,698,660)
Fair value gains and movements in financial assets	(29,711,605)	88,638,196
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(4,882)	534,259
Decrease/(increase) in deferred tax assets	3,364,129	(5,666,433)
Decrease/(increase) in payables	11,735	(5,699,464)
Decrease in current tax liabilities	(647,153)	(3,003,782)
Decrease in deferred tax liabilities	-	(9,424,734)
Net cash (used in)/provided by operating activities	(10,133,539)	44,679,382

14. Earnings per share

	2023 Cents per share	2022 Cents per share
Basic and diluted earnings/(loss) per share	8.45	(10.52)

	2023 \$	2022 \$
Profit/(loss) after income tax used in the calculation of basic and diluted earnings/(loss) per share	16,854,237	(20,698,660)

14. Earnings per share (cont'd)

	2023 No.	2022 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted earnings/(loss) per share	199,360,594	196,710,006

There are no outstanding securities on issue that are potentially dilutive in nature at the end of the year.

15. Financial risk management

The Company's financial instruments consist of listed and unlisted investments, trade receivables and trade payables. The risks exposed to through these financial instruments are discussed below and include credit risk, liquidity risk and market risk consisting of interest rate risk and other price risk. There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objective, policies and processes for managing or measuring the risks during the period.

Under delegation from the Board, the Manager has the responsibility for assessing and monitoring the financial market risk of the Company. The Manager monitors these risks daily. On a formal basis the investment team meet weekly to monitor and manage the below risks as appropriate.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge a contracted obligation. The Manager monitors the credit worthiness of counterparties on an ongoing basis and evaluates the credit quality of all new counterparties before engaging with them.

The maximum exposure to credit risk on financial assets, excluding investments of the Company which have been recognised in the Statement of financial position, is the carrying amount net of any expected credit losses of those assets.

The Manager is responsible for ensuring there is appropriate diversification across counterparties and that they are of a sufficient quality rating. The Manager is satisfied that the counterparties are of sufficient quality and diversity to minimise any individual counterparty credit risk. The majority of the Company's receivables arise from unsettled trades at year end which are settled two days after trade date. Engaging with counterparties via the Australian Securities Exchange facilitates the Company in both mitigating and managing its credit risk on an ongoing basis.

Credit risk is not considered to be a major risk to the Company as the majority of cash and term deposits held by the Company or in its portfolios are invested with major Australian banks and their 100% owned banking subsidiaries that have a Standard and Poor's short-term rating of A-1+ and long-term rating of AA-. The Company also holds cash with its custodian that has a Standard and Poor's short-term rating of A-1 and long-term rating of A+. The majority of all maturities for cash and term deposits are within three months, there were no term deposits held at 30 June 2023.

None of the assets exposed to credit risk are overdue or considered to be impaired.

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15. Financial risk management (cont'd)**b) Liquidity risk**

Liquidity risk represents the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's major cash payments are the purchase of securities and dividends paid to shareholders, the levels of which are managed by the Manager.

The Company's cash receipts depend upon the level of sales of securities, dividends and interest received, the exercise of options or other capital management initiatives that may be implemented by the Board from time to time.

The Manager monitors the Company's cash flow requirements daily by reference to known sales and purchases of securities, dividends and interest to be paid or received. Should these decrease by a material amount, the Company can alter its cash outflows as appropriate. The Company also holds a portion of its portfolio in cash and term deposits sufficient to ensure that it has cash readily available to meet all payments. Furthermore, the assets of the Company are largely in the form of tradable securities which, where liquidity is available, can be sold on market when, and if required.

The table below reflects an undiscounted contractual maturity analysis for the Company's liabilities. The timing of cash flows presented in the table to settle liabilities reflects the earliest possible contractual settlement date to the reporting date.

30 June 2023	>1 month \$	<1 month \$	Total \$
Liabilities			
Trade and other payables	-	2,749,468	2,749,468
Total	-	2,749,468	2,749,468
<hr/>			
30 June 2022	>1 month \$	<1 month \$	Total \$
Liabilities			
Trade and other payables	-	3,351,373	3,351,373
Total	-	3,351,373	3,351,373

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and other market prices will affect the fair value or future cash flows of the Company's financial instruments.

By its nature, as a listed investment company that invests in tradable securities, the Company will always be subject to market risk as it invests its capital in securities which are not risk free, as the market price of these securities can fluctuate.

15. Financial risk management (cont'd)**c) Market risk (cont'd)****(i) Interest rate risk**

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing level of market interest rates on its financial position and cash flows. The Company however is not materially exposed to interest rate risk as it did not hold any term deposits at the end of the period. As the Company's exposure to interest rate risk is not significant, interest rate sensitivities have not been performed.

At the end of the reporting period, the Company's exposure to interest rate risk and the effective weighted average interest rate was as follows:

30 June 2023	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
Assets				
Cash and cash equivalents	4.25%	11,212,328	-	11,212,328
Trade and other receivables		-	4,719,531	4,719,531
Financial assets		-	174,039,844	174,039,844
Total		11,212,328	178,759,375	189,971,703
Liabilities				
Trade and other payables		-	2,749,468	2,749,468
Total		-	2,749,468	2,749,468
30 June 2022	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
Assets				
Cash and cash equivalents	0.99%	37,631,176	-	37,631,176
Trade and other receivables		-	3,296,284	3,296,284
Financial assets		-	146,729,290	146,729,290
Total		37,631,176	150,025,574	187,656,750
Liabilities				
Trade and other payables		-	3,351,373	3,351,373
Total		-	3,351,373	3,351,373

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15. Financial risk management (cont'd)**c) Market risk (cont'd)****(ii) Other price risk**

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the majority of the Company's investments are carried at fair value with fair value changes recognised in the Statement of comprehensive income, all changes in market conditions will directly affect net investment income. Due to the short-term nature of receivables and payables, the carrying amounts of these financial assets and financial liabilities approximate their fair values.

The Manager seeks to manage and reduce the other price risk of the Company by diversification of the investment portfolio across numerous stocks and multiple industry sectors. The relative weightings of the individual securities and market sectors are reviewed daily in order to manage risk. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Company's industry sector weighting of gross assets as at 30 June 2023 is as follows:

Industry sector	2023 %	2022 %
Health care	20.6	8.5
Consumer discretionary	17.4	18.3
Industrials	16.8	24.4
Financials	9.6	4.0
Consumer staples	6.5	5.5
Real estate	5.3	-
Energy	5.3	8.9
Communication services	5.1	5.7
Information technology	3.5	0.8
Materials	2.7	3.4
Total	92.8	79.5

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15. Financial risk management (cont'd)**c) Market risk (cont'd)****(ii) Other price risk**

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2023 are set out below:

Company name	2023 %
Estia Health Limited	6.7
Webjet Limited	5.7
Viva Energy Group Limited	5.3
Healius Limited	5.1

Securities representing over 5 per cent of the gross assets of the Company as at 30 June 2022 are set out below:

Company name	2022 %
Worley Limited	5.4
Maas Group Holdings Limited	5.1

Sensitivity analysis

For investments held by the Company at the end of the reporting period, a sensitivity analysis was performed relating to its exposure to other price risk. This analysis demonstrates the effect on current year net assets after tax as a result from a reasonably possible change in the risk variable. The sensitivity assumes all other variables remain constant.

Investments represent 92.8% (2022: 79.5%) of gross assets at year end. At reporting date, if the fair value of each of the investments within the portfolio changed by 5%, the impact on the Company's profit or loss after tax would have been an increase/decrease by \$6,041,223 (2022: \$5,072,437) and the impact on the Company's total comprehensive income and equity would have been an increase/decrease by \$6,091,395 (2022: \$5,135,525). This would result in the 30 June 2023 net asset backing after tax moving by 3.0 cents per share (2022: 2.6 cents per share).

d) Financial instruments measured at fair value

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for the asset or liability are not based on observable market data (unobservable inputs).

15. Financial risk management (cont'd)

d) Financial instruments measured at fair value (cont'd)

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs. Included within Level 2 of the hierarchy includes an unlisted investment which has been valued using the last sale price to determine fair value.

There were no transfers between Level 1 and Level 2 during the year (2022: nil).

30 June 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through profit or loss	172,606,385	-	-	172,606,385
Financial assets at fair value through comprehensive income	1,124,118	309,341	-	1,433,459
Total	173,730,503	309,341	-	174,039,844

30 June 2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through profit or loss	144,926,785	-	-	144,926,785
Financial assets at fair value through comprehensive income	1,479,103	323,402	-	1,802,505
Total	146,405,888	323,402	-	146,729,290

16. Investment transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 4,354 (2022: 3,512). Each contract note could involve multiple transactions. The total brokerage paid on these contract notes was \$1,155,141 (2022: \$1,132,940).

17. Segment reporting

The Company engages in investing activities, including cash, term deposits and financial assets. It has no reportable operating segments.

18. Capital commitments

There were no capital commitments for the Company as at 30 June 2023 (2022: nil).

19. Contingent liability

There were no contingent liabilities for the Company as at 30 June 2023 (2022: nil).

20. Key management personnel compensation

The names and position held of the Company's key management personnel (including Directors) in office at any time during the financial year are:

- Geoff Wilson AO Chairman
- Kate Thorley Director
- John Abernethy Director
- Julian Gosse Director

a) Remuneration

There are no executives that are paid by the Company.

Individual Directors' remuneration disclosures are provided in the Remuneration Report of the Directors' Report on pages 24 to 27, as required by Corporations Regulation 2M.3.03 and 2M.6.04.

	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Total Directors remuneration paid by the Company for the year ended 30 June 2023	75,249	4,751	80,000
Total Directors remuneration paid by the Company for the year ended 30 June 2022	75,455	4,545	80,000

b) Share holdings

The number of ordinary shares held in the Company during the financial year by each key management personnel of the Company and their related parties are set out below:

Ordinary shares held Directors	Balance at 30 June 2022	Acquisitions	Disposals	Balance at 30 June 2023
Geoff Wilson	120,242	-	-	120,242
Kate Thorley	68,317	-	-	68,317
John Abernethy	10,000	-	-	10,000
Julian Gosse	-	-	-	-
	198,559	-	-	198,559

Ordinary shares held Directors	Balance at 30 June 2021	Acquisitions	Disposals	Balance at 30 June 2022
Geoff Wilson	137,517	-	17,275	120,242
Kate Thorley	68,317	-	-	68,317
John Abernethy	10,000	-	-	10,000
Julian Gosse	-	-	-	-
	215,834	-	17,275	198,559

20. Key management personnel compensation (cont'd)

b) Share holdings (cont'd)

Directors and Director related entities disposed of and acquired ordinary shares in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end of the financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

21. Related party transactions

All transactions with related parties during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with MAM Pty Limited, part of the Wilson Asset Management Group. Geoff Wilson is the Director of MAM Pty Limited, the entity appointed to manage the investment portfolio of WAM Research. Entities associated with Geoff Wilson hold 100% of the issued shares of MAM Pty Limited. In its capacity as the Manager, and in accordance with the investment management agreement, MAM Pty Limited was paid a management fee of 1% p.a. (plus GST) of the value of the portfolio amounting to \$2,117,908 inclusive of GST (2022: \$2,521,828). As at 30 June 2023, the balance payable to the Manager was \$171,887 inclusive of GST (2022: \$169,207).

In addition, MAM Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of:

- where the level of the S&P/ASX All Ordinaries Accumulation Index has increased over that period, the amount by which the value of the portfolio exceeds this increase; or
- where the S&P/ASX All Ordinaries Accumulation Index has decreased over that period, the amount of the increase in value of the portfolio.

No performance fee is payable in respect of any performance period where the value of the portfolio has decreased over that period. For the year ended 30 June 2023, no performance fee was payable to MAM Pty Limited (2022: nil).

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Research to provide accounting and company secretarial services on commercial terms. For the year ended 30 June 2023, the fee for accounting services amounted to \$46,200 inclusive of GST (2022: \$46,200) and the fee for company secretarial services amounted to \$16,500 inclusive of GST (2022: \$16,500). Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited.

No Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related company of the Director or with a firm of which he/she is a member or with a company in which he/she has substantial financial interest.

22. Events subsequent to reporting date

Since the end of the year, the Directors declared a final dividend of 5.0 cents per share, partially franked at 60%, to be paid on 16 October 2023.

No other matters or circumstances have arisen since the end of the financial year, other than already disclosed, which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Directors' Declaration

The Directors of WAM Research Limited declare that:

- 1) The financial statements as set out in pages 31 to 54 and the additional disclosures included in the Directors' Report designated as "Remuneration Report", as set out on pages 24 to 27, are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Australian Accounting Standards, which, as stated in Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position of the Company as at 30 June 2023 and of its performance, as represented by the results of the operations and the cash flows, for the year ended on that date; and
- 2) The Directors have been given declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer of the Manager, MAM Pty Limited declaring that:
 - a) the financial records of the Company for the financial year have been properly maintained in accordance with the Section 286 of the *Corporations Act 2001*;
 - b) the Company's financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the Company's financial statements and notes for the financial year give a true and fair view.
- 3) At the date of this declaration, in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



Geoff Wilson AO
Chairman

Dated this 24th day of August 2023

Pitcher Partners Sydney Partnership

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

**Independent Auditor's Report
To the Members of WAM Research Limited
ABN 15 100 504 541**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of WAM Research Limited ("the Company"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of WAM Research Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be on the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter
<p>Existence and Valuation of Financial Assets Refer to Note 7: Financial Assets</p>	
<p>We focused our audit effort on the existence and valuation of the Company's financial assets as they represent the most significant driver of the Company's Net Tangible Assets and Profit.</p> <p>The Company's investments are considered to be non-complex in nature with fair value based on readily observable data from the ASX or other observable markets. Consequently, these investments are classified under Australian Accounting Standards as either "Level 1" (i.e. where the valuation is based on quoted prices in active markets) or "Level 2" (i.e. where key inputs to valuation are based on other observable inputs).</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ Obtaining an understanding of and evaluating the design and implementation of the investment management processes and controls; ▪ Reviewing and evaluating the independent auditor's report on the design and operating effectiveness of internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodian; ▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the auditor's report relate to; ▪ Obtaining confirmation of the investment holdings directly from the Custodian; ▪ Assessing and recalculating the Company's valuation of individual investment holdings using independent observable pricing sources and inputs; ▪ Evaluating the accounting treatment of revaluations of financial assets for current/deferred tax and unrealised gains or losses; and ▪ Assessing the adequacy of disclosures in the financial statements.

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<i>Key audit matter</i>	<i>How our audit addressed the matter</i>
<p>Accuracy of Management and Performance Fees Refer to Note 8: Trade and other payables and Note 21: Related party transactions</p>	
<p>We focused our audit effort on the accuracy of management and performance fees as they are significant expenses of the Company and their calculation requires adjustments and key inputs. Adjustments include company dividends, tax payments, capital raisings, capital reductions and other relevant expenses. Key inputs include the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with the Investment Management Agreement between the Company and the Investment Manager.</p> <p>In addition, to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favourable than if they had been with an independent third-party.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ Obtaining an understanding of and evaluating the design and implementation of the processes and controls for calculating the management and performance fees; ▪ Making enquiries with the Investment Manager and those charged with governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements and Board meeting minutes; ▪ Testing of adjustments such as company dividends, tax payments, capital raisings, capital reductions as well as any other relevant expenses used in the calculation of management and performance fees; ▪ Testing of key inputs including the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with our understanding of the Investment Management Agreement; and ▪ Assessing the adequacy of disclosures made in the financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 27 of the Directors' Report for the year ended 30 June 2023. In our opinion, the Remuneration Report of WAM Research Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



S M Whiddett
Partner

24 August 2023



Pitcher Partners
Sydney

Investments at fair value as at 30 June 2023

Company Name	Code	Fair Value \$	% of Gross Assets
Health Care			
Estia Health Limited	EHE	12,652,455	6.7%
Healius Limited	HLS	9,598,884	5.1%
Sigma Healthcare Limited	SIG	5,620,478	3.0%
Pro Medicus Limited	PME	4,697,461	2.5%
Capital Health Limited	CAJ	4,147,874	2.2%
Healthia Limited	HLA	2,008,998	1.1%
		38,726,150	20.6%
Consumer Discretionary			
Webjet Limited	WEB	10,783,642	5.7%
Temple & Webster Group Limited	TPW	4,403,179	2.4%
Jumbo Interactive Limited	JIN	3,198,119	1.7%
G8 Education Limited	GEM	3,011,866	1.6%
GUD Holdings Limited	GUD	2,776,483	1.5%
Myer Holdings Limited	MYR	2,433,817	1.3%
Lovisa Holdings Limited	LOV	1,506,500	0.9%
Nick Scali Limited	NCK	1,331,818	0.7%
The Reject Shop Limited	TRS	1,165,514	0.6%
IDP Education Limited	IEL	814,915	0.4%
Experience Co Limited	EXP	642,910	0.3%
Harvey Norman Holdings Limited	HVN	639,907	0.3%
		32,708,670	17.4%
Industrials			
Maas Group Holdings Limited	MGH	6,461,551	3.4%
SG Fleet Group Limited	SGF	5,425,767	2.9%
Reece Limited	REH	5,208,848	2.8%
Tourism Holdings Limited	THL	5,088,579	2.7%
Kelsian Group Limited	KLS	3,885,109	2.1%
IPH Limited	IPH	2,612,213	1.4%
APM Human Services International Limited	APM	1,613,066	0.9%
Austin Engineering Limited	ANG	982,030	0.5%
Skellerup Holdings Limited	SKL NZ	166,230	0.1%
		31,443,393	16.8%
Financials			
Virgin Money UK PLC	VUK	6,557,876	3.5%
Credit Corp Group Limited	CCP	4,952,673	2.6%
Generation Development Group Limited	GDG	1,677,932	0.9%
MyState Limited	MYS	1,126,906	0.6%
Clime Investment Management Limited	CIW	1,124,118	0.6%

Company Name	Code	Fair Value \$	% of Gross Assets
Financials (cont'd)			
HUB24 Limited	HUB	953,790	0.5%
Metals Acquisitions Limited	MTAL US	474,832	0.3%
PSC Insurance Group Limited	PSI	439,725	0.2%
Judo Capital Holdings Limited	JDO	328,071	0.2%
Clime Private Limited [†]	n/a	309,341	0.2%
		17,945,264	9.6%
Consumer Staples			
Ridley Corporation Limited	RIC	6,193,430	3.3%
Select Harvests Limited	SHV	5,984,624	3.2%
		12,178,054	6.5%
Real Estate			
HMC Capital Limited	HMC	4,297,281	2.3%
Lifestyle Communities	LIC	2,882,442	1.5%
PEXA Group Limited	PXA	2,761,197	1.5%
		9,940,920	5.3%
Energy			
Viva Energy Group Limited	VEA	9,906,560	5.3%
		9,906,560	5.3%
Communication Services			
Tuas Limited	TUA	7,609,838	4.1%
IVE Group Limited	IGL	1,900,451	1.0%
		9,510,289	5.1%
Information Technology			
Technology One Limited	TNE	6,670,609	3.5%
		6,670,609	3.5%
Materials			
Perenti Limited	PRN	2,848,967	1.6%
Vulcan Steel Limited	VSL	975,804	0.5%
Develop Global Limited	DVP	941,708	0.5%
Genesis Minerals Limited	GMD	243,456	0.1%
		5,009,935	2.7%
Total long portfolio		174,039,844	92.8%
Total cash and cash equivalents, income receivable and net outstanding settlements		13,534,241	7.2%
Gross assets		187,574,085	100.0%

[†]Unlisted investment.

The total number of stocks held at the end of the financial year was 50.

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ASX additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Shareholdings

Substantial shareholders (as at 31 July 2023) - there are currently no substantial shareholders.

On-market buy back (as at 31 July 2023) - there is no current on-market buy back.

Distribution of shareholders (as at 31 July 2023)

Category	Number of shareholders	Percentage of issued capital held
1 – 1,000	1,323	0.4%
1,001 – 5,000	2,592	3.7%
5,001 – 10,000	1,779	6.9%
10,001 – 100,000	4,088	61.9%
100,001 and over	270	27.1%
	10,052	100.0%

The number of shareholders holding less than marketable parcels is 479.

Twenty largest shareholders – Ordinary shares (as at 31 July 2023)

Name	Number of ordinary shares held	% of issued capital held
Gold Tiger Equities Pty Limited	1,750,000	0.9%
BNP Paribas Nominees Pty Limited	1,259,929	0.6%
HSBC Custody Nominees (Australia) Limited	1,087,777	0.5%
J P Morgan Nominees Australia Pty Limited	1,081,078	0.5%
Mr BS & Mrs M Locke	900,000	0.4%
Netwealth Investments Limited	834,671	0.4%
Citicorp Nominees Pty Limited	766,766	0.4%
Emu Court Pty Limited	660,255	0.3%
Bin Chicken Investments Pty Limited	573,404	0.3%
K Carter Holdings Pty Limited	530,000	0.3%
SBK Super Pty Limited	529,059	0.3%
Mr RG Phillips	503,214	0.3%
Mr JC Plummer	500,000	0.2%
Mr M Kidman and Ms S Gellert	499,909	0.2%
Ms GM and Mr GK Marshall	494,800	0.2%
Mr KR and Mrs SM Craig	480,851	0.2%
Hudson Retirement Pty Limited	478,790	0.2%
Mrs AL Gibson	468,905	0.2%
Mr R Miller	450,000	0.2%
Seweta Pty Limited	427,760	0.2%
	14,277,168	6.8%

Stock exchange listing

Quotation has been granted for all of the ordinary shares of the Company on all Member Exchanges of the ASX Limited.

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Wilson Asset Management

Level 26, Governor Phillip Tower
1 Farrer Place, Sydney NSW 2000
+ 61 2 9247 6755
info@wilsonassetmanagement.com.au
wilsonassetmanagement.com.au
