

WAM Alternative Assets declares increased fully franked full year dividend

29 August 2024
ASX announcement
and media release

5.3%

Fully franked dividend yield*

7.6%

Grossed-up dividend yield**

5.2 cps ↑

Increased fully franked full year dividend FY2024

\$1.20 per share

Pre-tax net tangible assets (NTA) at 30 June 2024

16.3 cps

Profits reserve at 30 June 2024, before the payment of the fully franked final dividend of 2.6 cps

14.6 cps

Dividends paid since Wilson Asset Management was appointed Investment Manager in October 2020, 19.5 cps when including the value of franking credits

+9.8%

Investment portfolio performance per annum since appointment of Wilson Asset Management[‡]

Q&A Webinar

Tuesday 17 September 2024 at 2:00pm (Sydney time)

Register to join Wilson Asset Management Chairman Geoff Wilson AO, WAM Alternative Assets Portfolio Manager Dania Zinurova and Investment Advisory Committee member Sally Box for an update on the investment portfolio.

Register now

The WAM Alternative Assets Limited (ASX: WMA) investment portfolio increased 5.1%^ in the 2024 financial year. Since Wilson Asset Management was appointed as Investment Manager in October 2020, the investment portfolio has increased 9.8%^ per annum, supported by 12 investment exits achieved at a weighted average premium to NTA on exit of 34.5%#.

WAM Alternative Assets Portfolio Manager Dania Zinurova said: “Despite the challenging environment for private markets, especially for private equity with limited exit opportunities, the underlying investments in the WAM Alternative Assets investment portfolio performed well when compared to the broader private market, mainly due to their high quality and growth in earnings. During the financial year, the investment portfolio benefitted significantly from an exit in premium food producer Birch & Waite Foods, facilitated through our investment partner, Fortitude Investment Partners. This exit was achieved at a 105% premium to the December 2023 carrying value. The exit in Birch & Waite, combined with distributions received over the life of the investment and the residual holding retained, represents a return on invested capital of over 3.5x and an internal rate of return (IRR) of greater than 25%.

“We see the more positive monetary policy outlook as a catalyst that will translate into increased valuations of the underlying businesses in the portfolio and further exits where the true value of those private businesses is realised, achieving outsized returns for shareholders. Moving into the new financial year, the team and I are excited to continue deploying capital into new investments, with a strong focus on private equity opportunities,” Dania said.

WAM Alternative Assets Chair Michael Cottier said: “I am pleased with how Dania and the team have constructed the WAM Alternative Assets investment portfolio. Their efforts have provided shareholders with access to a diversified portfolio of quality alternative investments with the ability to deliver strong excess returns.”

The Board of Directors has declared a fully franked full year dividend of 5.2 cents per share, with the fully franked final dividend being 2.6 cents per share, providing a fully franked dividend yield of 5.3%* and a grossed-up dividend yield of 7.6%**. The investment portfolio performance since the appointment of Wilson Asset Management and the profits reserve available through the listed investment company (LIC) structure has enabled the Board to confidently deliver a stream of fully franked dividends, including the increased FY2024 fully franked final dividend of 2.6 cents per share for shareholders. Since October 2020, the Company has paid 14.6 cents per share in fully franked dividends to shareholders and 19.5 cents per share including the value of franking credits.

*Based on the 28 August 2024 share price of \$0.985 per share.

**Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

‡Investment portfolio performance is before expenses, fees and taxes.

#Exit premium/(discount) to NTA is calculated in relation to the most recent semi-annual valuation prior to the exit of the fund.

At the end of the financial year, the share price discount to NTA had widened to 19.7%, from 16.9% at the start of the period, after trading at a 12.4% discount during the year. The Company has traded at a share price premium to NTA of up to 10.0% since inception and on average traded a premium to NTA of 0.9% between 2014 and 2018. Following the appointment of Wilson Asset Management, the share price discount to NTA closed from a high of 40.6% to a low of 7.9%.

Mr Cottier said: “The Board of Directors remain focused on narrowing the share price discount to NTA. The current share price discount to NTA presents an opportunity to gain access to a diversified portfolio of quality alternative investments and a stream of fully franked dividends.”

WAM Alternative Assets’ strategy and approach to portfolio construction is focused on delivering consistent investment returns to its shareholders throughout varying economic cycles. The investment portfolio’s focus on growth strategies provides the ability to deliver strong excess returns, such as those achieved through the investment in Birch & Waite, while the inclusion of core strategies provides diversification benefits and hedging against inflation and interest rate movements. This portfolio construction approach also allows the Company to diversify investments by maturity, which will result in regular exits spread over different time periods.

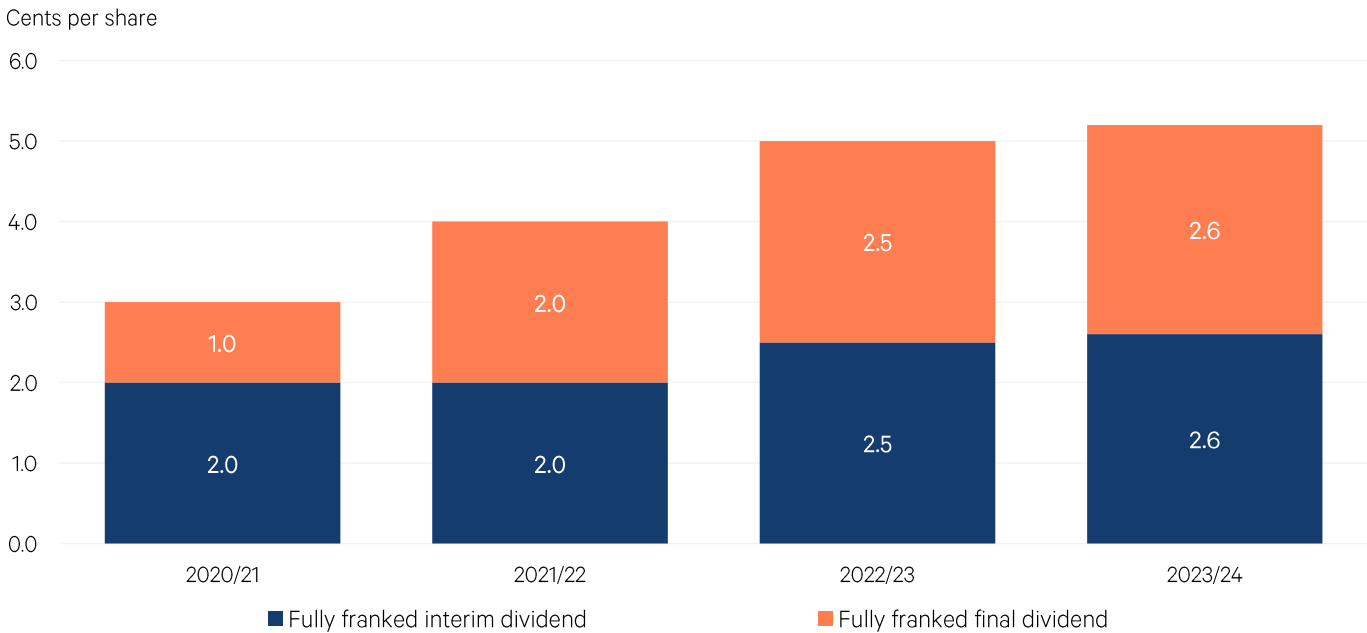
WAM Alternative Assets investment portfolio performance

Investment portfolio performance at 30 June 2024	1 yr	3 yrs %pa	Since appointment of Wilson Asset Management %pa (Oct-20)
WAM Alternative Assets Investment Portfolio	5.1%	7.9%	9.8%

Investment portfolio performance is before expenses, fees and taxes.

Fully franked dividends

(since Wilson Asset Management was appointed as Investment Manager in October 2020)

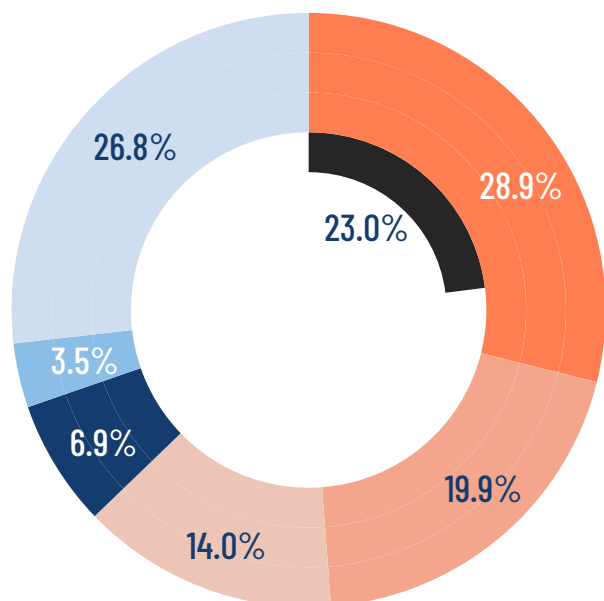


Key dividend dates

Ex-dividend date	16 October 2024
Dividend record date (7:00pm Sydney time)	17 October 2024
Last election date for DRP	21 October 2024
Payment date	29 October 2024

The dividend reinvestment plan (DRP) is in operation and the recommended fully franked final dividend of 2.6 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 calculated as the volume weighted average market price (VWAP) of shares sold on the ASX over the four trading days commencing on the ex-dividend date for the relevant dividend. The DRP will operate without a discount for the fully franked final dividend.

Asset class exposure at 30 June 2024



- Real assets: 28.9%*
- Private equity: 19.9%
- Infrastructure: 14.0%
- Real estate: 6.9%
- Private debt: 3.5%
- Cash: 26.8%^

^Total capital commitments are 18.3%.

*Real assets includes:

- Water Rights: 23.0%

Top holdings

Real assets



Argyle Water Fund
Pioneer and leading non-irrigator water investor in Australia

Nericon Citrus
Premium citrus orchard

Private equity



Condiments, desserts and beverages



E-commerce solutions



Healthcare workforce solutions



Aged Care placement service

Infrastructure



Wind farm in South Australia



Community solar farms



Wind farm in South Australia



Premier regional airport

Real estate



Premier private health facility



Premier private health facility

Private debt



Australian senior secured loan strategy

Investment Partners



Mid-market private equity buy-out strategy



Turnaround, special situations and transformation private equity strategy



Investing across Australian Water Entitlements and agriculture assets



Australian healthcare real estate strategy



Last-mile logistics real estate strategy



Mid-market private equity strategy with a focus on healthcare



Growth capital private equity



Venture capital strategy



Australian senior secured loan strategy



Mid-market private equity growth strategy



Mid-market infrastructure strategy



Private equity real estate strategy

About WAM Alternative Assets

WAM Alternative Assets Limited (ASX: WMA) is a listed investment company managed by Wilson Asset Management. WAM Alternative Assets provides retail investors with exposure to a portfolio of real assets, private equity, infrastructure, real estate and private debt strategies. The Company's investment objectives are to consistently deliver absolute returns through a combination of dividend yield and capital growth, while providing diversification benefits.

All major platforms provide access to WAM Alternative Assets, including Asgard eWRAP Investment, BT Panorama, BT Wrap, Colonial First State FirstWrap, Hub24, IOOF Pursuit Select Investment Service, Macquarie Investment Manager / Consolidator, MLC Wrap IDPS and SMS, Netwealth Wrap and North Investment.

Wilson Asset Management was appointed as Investment Manager of WAM Alternative Assets in October 2020.



WAM Alternative Assets receives coverage from the following independent investment research providers:

BELL POTTER

INDEPENDENT
INVESTMENT RESEARCH

ORD MINNETT

This announcement has been authorised by the Board of WAM Alternative Assets Limited.

About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years and is the investment manager for eight LICs – 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), WAM Active (ASX: WAA) - and the Wilson Asset Management Leaders Fund. Wilson Asset Management invests over \$5 billion on behalf of more than 130,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, 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. All philanthropic investments are made by the Investment Manager.



>\$5 billion
in funds under management

>200 Years
combined investment experience

>25 Years
making a difference for shareholders

10
investment products

For more information visit www.wilsonassetmanagement.com.au or contact:

Michael Cottier
WAM Alternative
Assets Chair

(02) 9247 6755

Geoff Wilson AO
Wilson Asset Management
Chair & Chief Investment
Officer

(02) 9247 6755

Kate Thorley
Chief Executive Officer

(02) 9247 6755
0405 115 644

Jesse Hamilton
Chief Financial Officer

(02) 9247 6755
0401 944 807

Camilla Cox
Corporate Affairs Manager

(02) 9247 6755
0407 407 062