

February 2023 Investment Update

Pre-tax
NTA

W | A | M *Capital*

\$1.45

W | A | M *Leaders*

\$1.48

W | A | M *Global*

\$2.16

W | A | M *Microcap*

\$1.33

W | A | M *Alternative Assets*

\$1.25

W | A | M *Strategic Value*

\$1.14

W | A | M *Research*

\$0.95

W | A | M *Active*

\$0.74

Dear Fellow Shareholder,

Inflation continued to be a key theme during the month. Company profit margins were impacted by increased input and operating costs and consumer discretionary spending also eased under the weight of continued interest rate hikes. The S&P/ASX All Ordinaries Accumulation Index decreased 2.5% in February, and the S&P/ASX 200 Accumulation Index was down 2.4%. The Dow Jones Industrial Average Index fell 4.2% and the NASDAQ Composite Index was also down 1.1% in local terms during the month.

WAM Leaders (ASX: WLE) Share Purchase Plan and Placement

The WAM Leaders Board of Directors announced a [Share Purchase Plan \(SPP\)](#) and Placement to existing shareholders¹ on Monday 6 March. The SPP provides WAM Leaders shareholders the opportunity to acquire up to \$30,000 of ordinary, fully paid shares in WAM Leaders without incurring any brokerage fees and be entitled to receive the fully franked interim dividend² of 4.5 cents per share. Shareholders who wish to apply can visit www.wamleadersspp.com.au. For more information, please refer to the dedicated website and application instructions, which are available in the [SPP booklet](#) and [factsheet](#). The SPP will close on Monday 27 March 2023. You can also read more about the SPP in an article in [Business News Australia](#).

The Board of Directors currently intends to offer existing WAM Leaders professional and sophisticated investors³ the ability to participate in a Placement at the same price and under the same terms as the SPP. The Placement is currently expected to occur in the last week of March 2023. If you would like to participate, please call your stockbroker, financial advisor or Hamish Nairn from Taylor Collison on (08) 8217 3908 or email hnairn@taylorcollison.com.au or Philip Lee from Morgans on (07) 3334 4864 or email philip.lee@morgans.com.au.

Access the WAM Leaders FY2023 Interim Results Q&A Webinar [recording](#) and [slides](#). [The Australian Financial Review](#) covered the WAM Leaders recent FY2023 Interim Results Q&A Webinar where the team discussed their key takeaways from the recent reporting season.

Senate Inquiry into the proposed changes to franking credits now open | Register to join our webinar on Monday

The Senate has referred Treasury's tax law amendment bill to the chamber's economics committee, with the support of Coalition and crossbench senators, to conduct a review into the Government's proposed legislative changes to the Australian franking system. Submissions are open and now is the time for all to act to ensure this harmful legislation is rejected in the Senate.

Shortly, we will be sending communications to support our shareholders that would like to create their own submission. It is important to note that **submissions must be made in your own voice**. All the details you need to make your submission can be found on the Parliament of Australia website [here](#). The closing date for the committee receiving submissions is 31 March 2023.

On Monday, 20 March at 11:00am (Sydney time) we will be hosting a [special webinar](#) to discuss the Senate Inquiry and answer your questions. I will be joined by Wilson Asset Management Chief Financial Officer Jesse Hamilton.

[The Australian Financial Review](#) discussed Stephen Jones' illogical approach to communicating the changes and [The Australian's](#) Robert Gottlieb clearly explains in detail the damaging impacts the proposed pieces of legislation will have. Please register your interest [here](#) to receive additional updates on our franking credits campaign, or visit our dedicated franking system website, which we will continue to update regularly: wilsonassetmanagement.com.au/frankingcredits.

¹Shareholders on the WAM Leaders register as at 7:00pm (Sydney time) on 3 March 2023 with a registered address in Australia or New Zealand.

²Assumes shareholders continue to hold shares issued under the offer at the dividend record date on 22 May 2023.

³These terms are defined in the Corporations Act and refer to individuals with net assets greater than \$2.5 million, or those who earn gross income of \$250,000, or a superannuation fund with net assets of at least \$10 million.

Shareholder Presentations | Register your attendance

The Wilson Asset Management and Future Generation teams are looking forward to meeting with our shareholders in April and May. [Registrations](#) for our Shareholder Presentations are now open, secure your attendance today.

FY23 Interim Results Q&A Webinar | Listen to the recordings

We recently held our FY2023 Interim Results Q&A Webinar's for our eight listed investment companies. You can listen to the recordings by clicking on the links below.

- WAM Alternative Assets (ASX: WMA) FY2023 Interim Results Q&A Webinar | [recording](#) and [slides](#)
- WAM Strategic Value (ASX: WAR) FY2023 Interim Results Q&A Webinar | [recording](#) and [slides](#)
- WAM Capital (ASX: WAM), WAM Microcap (ASX: WMI), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) FY2023 Interim Results Q&A Webinar | [recording](#) and [slides](#)
- WAM Global (ASX: WGB) FY2023 Interim Results Q&A Webinar | [recording](#) and [slides](#)

Register for Future Generation 2022 Full-Year Results Webinar

Please [register](#) to join the upcoming Future Generation FY2022 full-year results webinar with Chief Executive Officer Caroline Gurney on Friday, 17 March at 2:30pm (Sydney time). I will be joining Caroline, L1 Capital Co-Founder, Joint Managing Director and Chief Investment Officer (CIO) Mark Landau and Antipodes Partners Founder, Lead Portfolio Manager and CIO Jacob Mitchell, who manage funds for Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG) on a pro bono basis.

In the media

WAM Global Portfolio Manager Nick Healy discussed the companies and themes the WAM Global team are keeping an eye on in global markets this year on [Fear and Greed](#). Nick also provided his key takeaways from the recent reporting season in an article in [The Australian Financial Review](#).

WAM Global Equity Analyst William Liu discussed the bull and bear cases for Coca-Cola (NYSE: KO) on a recent [Equity Mates Media](#) podcast.

WAM Capital, WAM Microcap, WAM Research and WAM Active Lead Portfolio Manager Oscar Oberg provided his view on the current opportunities in the small-caps space in an article in [The Australian Financial Review](#). Listen to a [Mumbrella](#) podcast episode to hear WAM Capital, WAM Microcap, WAM Research and WAM Active Senior Equity Analyst Shaun Weick discuss Seven West Media's (ASX: SWM) half-year result.

WAM Alternative Assets Portfolio Manager Dania Zinurova was interviewed on [Ausbiz](#) alongside investment partner Adamantem Capital Managing Director Rob Koczkar to discuss the opportunity set in private equity.

Thank you for your continued support.



Geoff Wilson AO
Chairman



LIC snapshot



W | A | M *Capital*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAM

Share price*	\$1.66
NTA before tax	\$1.45
Annualised fully franked interim dividend	15.5cps
Profits reserve#	14.7cps

W | A | M *Leaders*

Actively investing in the highest quality Australian companies

ASX: WLE

Share price*	\$1.49
NTA before tax	\$1.48
Annualised fully franked interim dividend	9.0cps
Profits reserve before the issue of SPP and Placement shares**	43.9cps

W | A | M *Global*

The world's most compelling undervalued growth companies

ASX: WGB

Share price*	\$1.82
NTA before tax	\$2.16
Annualised fully franked interim dividend	11.5cps
Profits reserve#	39.1cps

W | A | M *Microcap*

The most exciting undervalued growth opportunities in the Australian micro-cap market

ASX: WMI

Share price*	\$1.53
NTA before tax	\$1.33
Annualised fully franked interim dividend	10.5cps
Profits reserve#	55.3cps

W | A | M *Alternative Assets*

Unique opportunities beyond traditional assets

ASX: WMA

Share price*	\$1.10
NTA before tax	\$1.25
Annualised fully franked interim dividend	5.0cps
Profits reserve#	20.0cps

W | A | M *Strategic Value*

Discounted asset opportunities

ASX: WAR

Share price*	\$0.995
NTA before tax	\$1.14
Estimated fully franked full-year dividend*	3.5cps
Profits reserve#	7.3cps

W | A | M *Research*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAX

Share price*	\$1.30
NTA before tax	\$0.95
Annualised fully franked interim dividend	10.0cps
Profits reserve#	42.0cps

W | A | M *Active*

Mispricing opportunities in the Australian market

ASX: WAA

Share price*	\$0.80
NTA before tax	\$0.74
Annualised fully franked interim dividend	6.0cps
Profits reserve#	8.0cps

*As at 13 March 2023.

#The profits reserve figures are as at 28 February 2023 in cents per share (cps).

**The WAM Leaders profits reserve is as at 28 February 2023 in cents per share (cps) and before the issue of new WAM Leaders shares under the SPP and Placement.

The estimated fully franked full-year dividend for WAM Strategic Value of 3.5cps comprises the FY2023 fully franked interim dividend of 1.5 cents per share and the FY2022 fully franked final dividend of 2.0 cents per share.

W | A | M *Microcap*

The most exciting undervalued growth opportunities in the Australian micro-cap market.

The WAM Microcap (ASX: WMI) investment portfolio decreased during the month, outperforming the S&P/ASX Small Ordinaries Accumulation Index. Contributors to the investment portfolio outperformance included marine service provider MMA Offshore (ASX: MRM) and animal nutrition provider Ridley Corporation (ASX: RIC).

MMA Offshore is a global provider of marine vessels and services to the offshore energy sector, government, defence and maritime industries. In February, the company released its FY2023 half-year results, posting a 16.6% increase in its revenue to \$160 million and a 124.5% increase in its earnings before interest, taxes, depreciation and amortisation (EBITDA) compared to the previous corresponding period. The positive results were driven by improved market conditions as well as its non-core asset sales program and cash flow generation which meant MMA Offshore finished the half-year with one of the strongest balance sheets in its industry. The company has additional flexibility with its capital management initiatives and we believe the recovery within the oil and gas industries presents a unique opportunity for MMA Offshore to maximise profit returns moving forward.

Ridley Corporation is Australia's leading provider of animal nutrition solutions. Early in February, the company announced a solid interim result, outperforming market expectations. Compared to the prior corresponding period, Ridley Corporation's revenue was up 25.4% to \$637.9 million, while its EBITDA grew by 12.8% to \$44.1 million, underpinned by strong cash flow conversion. Ridley Corporation delivered these positive results despite the impact of weather on its operations towards the end of the year, demonstrating the resiliency of the company's diversified business model. We remain optimistic on the company's outlook, with earnings growth supported by internal improvement initiatives that will deliver earnings ahead of industry growth rates, and an under geared balance sheet providing them with optionality to continue capital management initiatives and engage in earnings accretive acquisitions.

Market capitalisation (ASX: WMI)

\$332.9m*

Gross assets

\$282.1m

Listed equities

\$260.9m

Investment portfolio performance (pa since inception June 2017)

15.4%[^]

S&P/ASX Small Ordinaries Accumulation Index: 6.1%

Dividends paid since inception (per share)

43.75c

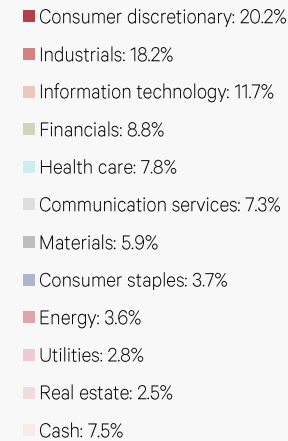
Annualised fully franked interim dividend yield

6.6%*

*Based on the 28 February 2023 share price of \$1.585 per share and the annualised FY23 fully franked interim dividend of 10.5 cents per share. WAM Microcap has 210,045,039 shares on issue.

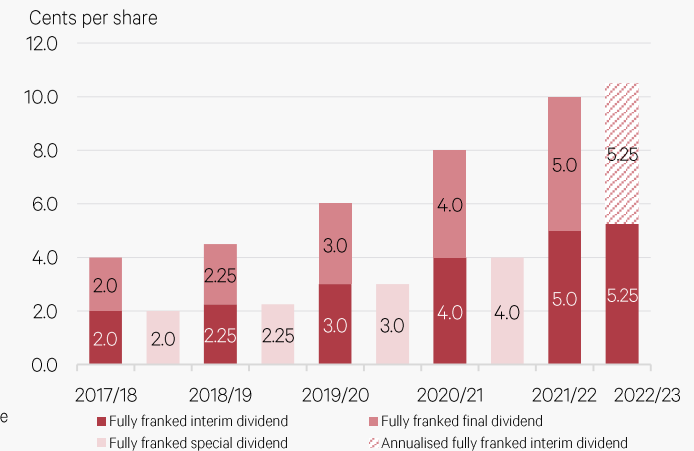
[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Diversified investment portfolio by sector



History of fully franked dividends

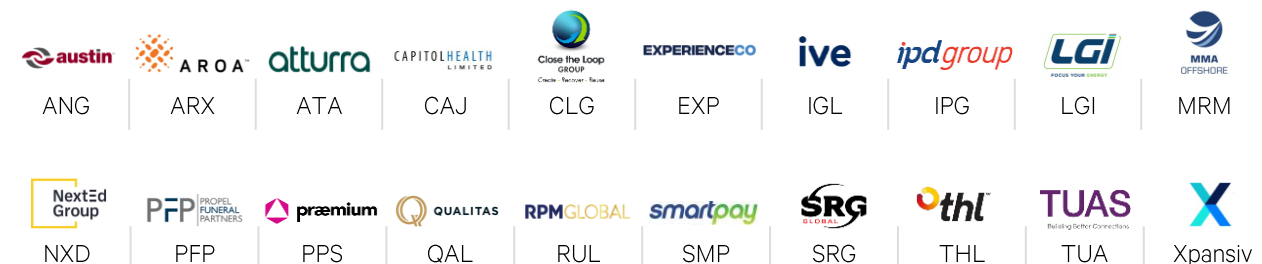
The Board declared a fully franked interim dividend of 5.25 cents per share payable on 24 April 2023.



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
February 2023	133.12c	135.68c	133.89c
January 2023	137.30c	139.75c	136.77c

Top 20 holdings (in alphabetical order)



W | A | M Capital

The most compelling undervalued growth opportunities in the Australian market.

The WAM Capital (ASX: WAM) investment portfolio decreased during the month. Out-of-home media company oOh!media (ASX: OML) was a contributor to the investment portfolio performance, while diversified contract services provider NRW Holdings (ASX: NWH) was a detractor.

oOh!media is one of Australia's largest out-of-home media companies with a network of more than 37,000 digital and static asset locations. In February, the company announced its financial results for the calendar year ended 31 December 2022, noting an adjusted net profit after tax (NPAT) of \$56.2 million, up 343% from \$12.7 million in the prior year. Adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) also increased by 64% to \$127.1 million compared to the prior year. We believe that out-of-home media continues to have a strong runway of structural growth, and we remain positive on oOh!media.

NRW Holdings is a civil and structural engineering company focused on the mining and government infrastructure sectors. In February, the company released its FY2023 half-year results, with earnings before interest, taxes and amortisation (EBITA) of \$80.1 million. The result was below market expectations and was largely due to poor weather surrounding its East Coast operations and increased tendering costs. Despite the disappointing first half-year result, NRW Holdings maintained its full-year earnings guidance of \$162 million to \$172 million EBITA. We believe that the business is well placed to win new contracts over the coming months which will boost earnings into the next financial year.

Market capitalisation (ASX: WAM)

\$1,827.1m[#]

Gross assets

\$1,583.2m

Listed equities

\$1,413.6m

Investment portfolio performance (pa since inception Aug 1999)

14.9%[^]

S&P/ASX All Ordinaries Accumulation Index: 8.3%

Dividends paid since inception (per share)

285.0c

Annualised fully franked interim dividend yield

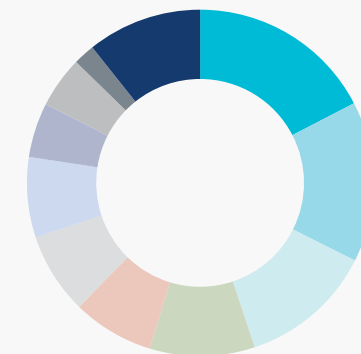
9.3%[#]

[#]Based on the 28 February 2023 share price of \$1.67 per share and the annualised FY23 fully franked interim dividend of 15.5 cents per share. WAM Capital has 1,094,094,184 shares on issue.

[^]Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

Diversified investment portfolio by sector

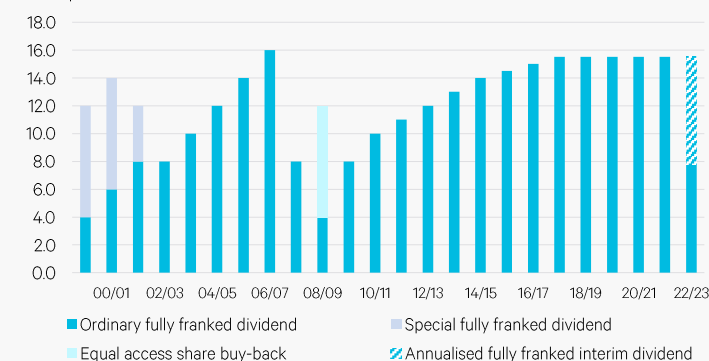
- Consumer discretionary: 17.4%
- Industrials: 15.0%
- Health care: 12.5%
- Communication services: 9.8%
- Information technology: 7.6%
- Materials: 7.6%
- Financials: 7.5%
- Real estate: 5.1%
- Consumer staples: 4.8%
- Energy: 2.0%
- Cash: 10.7%



History of fully franked dividends

The Board declared a fully franked interim dividend of 7.75 cents per share payable on 26 May 2023. The Company's ability to continue paying fully franked dividends is dependent on generating additional profits reserves, through positive investment portfolio performance, and franking credits. The ability to generate additional franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on profits.

Cents per share



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
February 2023	144.62c	160.80c	160.12c
January 2023	148.44c	165.05c	162.71c

*Includes 150 cents per share of tax assets resulting from the acquisition of investment companies and 15.53 cents per share of income tax losses available to the Company in future periods.

Top 20 holdings (in alphabetical order)

Life360	APM	carsales.com ltd	Credit Corp Group	Estia Health	EVT	FLIGHT CENTRE TRAVEL GROUP	Fisher & Paykel HEALTHCARE	JOHN LYNG GROUP	Lifestyle COMMUNITIES
360	APM	CAR	CCP	EHE	EVT	FLT	FPH	JLG	LIC
MAAS	NRW Holdings	oOh!	pro+medicus	Perenti	Red House	SELECT HARVESTS	Tabcorp	thl	Webjet Limited
MGH	NWH	OML	PME	PRN	REA	SHV	TAH	THL	WEB

W | A | M Leaders

Actively investing in the highest quality Australian companies.

The WAM Leaders (ASX: WLE) investment portfolio decreased during the month, outperforming the S&P/ASX 200 Accumulation Index. Contributors to the investment portfolio outperformance included health insurer Medibank Private (ASX: MPL) and pallet pooling company Brambles (ASX: BXB).

Medibank Private, one of the largest Australian private health insurance providers, was added to the WAM Leaders investment portfolio late last year, following the cyber breach incident and subsequent earnings guidance downgrade. After the negative news flow dissipated and the share price did not recover, it became clear to us that the negative sentiment was overdone. The company's February results announcement was strong; health insurance claims remain subdued as the healthcare system is capacity constrained due to the lack of staff, while industry growth remains buoyant, driven by net migration and new participants domestically. Medibank Private noted its policyholder numbers have stabilised and the outlook has improved for the year ahead.

Brambles specialises in the pooling of unit-load equipment and has been a holding in the WAM Leaders investment portfolio for over 12 months. The company reported strong interim results in February, driven by significant pricing increases. While Brambles expects cash flow to remain in outflow this year, it upgraded its earnings guidance and noted cash flow pressures will ease into next year as capital expenditure slows. Going forward, we expect profitability to be a key focus, with pricing increases in a tight market continuing while pallet efficiencies improve. The impact of pallet destocking as the economy slows should help to bring more balance to the pallet market globally.

Market capitalisation (ASX: WLE)

\$1,707.9m*

Gross assets

\$1,628.8m

Listed equities

\$1,577.3m

Investment portfolio performance (pa since inception May 2016)

14.8%[^]

S&P/ASX 200 Accumulation Index: 8.8%

Dividends paid since inception (per share)

35.15c

Annualised fully franked interim dividend yield

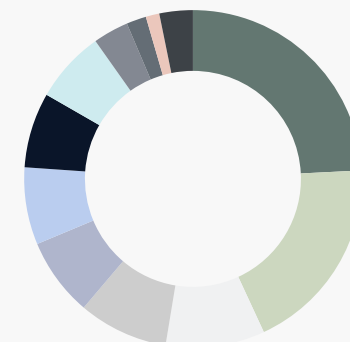
5.8%*

*Based on the 28 February 2023 share price of \$1.555 per share and the annualised FY23 fully franked interim dividend of 9.0 cents per share. WAM Leaders has 1,098,355,168 shares on issue.

[^]Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

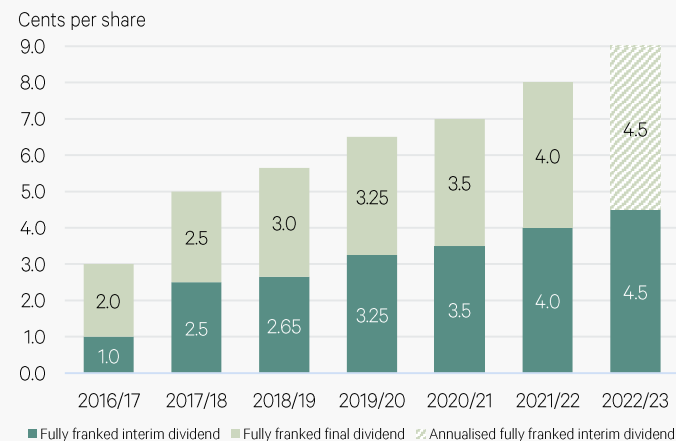
Diversified investment portfolio by sector

- Materials: 24.2%
- Financials: 18.9%
- Health care: 9.5%
- Real estate: 8.6%
- Consumer discretionary: 7.5%
- Energy: 7.4%
- Consumer staples: 7.2%
- Industrials: 6.9%
- Utilities: 3.4%
- Communication services: 1.9%
- Information technology: 1.3%
- Cash: 3.2%



History of fully franked dividends

The Board declared a fully franked interim dividend of 4.5 cents per share payable on 31 May 2023.



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
February 2023	147.87c [^]	145.96c	145.34c
January 2023	151.39c	149.14c	147.38c

The NTA before tax is after the payment of \$5.0m (0.46 cents per share) in tax during the month.

Top 20 holdings (in alphabetical order)



W | A | M Global

The world's most compelling undervalued growth companies.

The WAM Global (ASX: WGB) investment portfolio increased during the month. Significant contributors to the investment portfolio performance included Quanta Services (NYSE: PWR) and Booz Allen Hamilton (NYSE: BAH).

Quanta Services is a leading specialty contractor, delivering comprehensive infrastructure solutions for the electric power, energy and communications industries. The company has a significant opportunity to capitalise on the increased infrastructure investment required to support North America's energy transition, which is still in its early stages. Quanta Services is experiencing robust demand in areas such as electric grid modernisation, renewable energy infrastructure and carbon reduction solutions from its customer base. In February, the company reported a strong fourth quarter 2022 earnings result driven by strength in its electric and underground utility and infrastructure businesses. Investors reacted positively to Quanta's 25% year-on-year increase in the company's total backlog, indicating growing demand for Quanta's solutions and providing a high degree of earnings visibility for the upcoming quarters. The management team expressed confidence in the ability to drive multi-year double digit revenue and earnings per share growth and we believe Quanta is on track to deliver a growth rate of more than the 15% earnings per share per annum which was highlighted at its recent investor day.

Booz Allen Hamilton (Booz Allen) is a leading provider of consulting services to the US Department of Defence, intelligence community and civilian agencies. In late January, Booz Allen reported its third quarter results. We were pleased with this update, with double digit organic revenue and adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) growth, both exceeding market expectations. Management also raised their guidance for full-year revenue and earnings growth. The third quarter is a seasonally weak period for bookings and the December 2022 quarter was no different, however when juxtaposed with management's confidence on the outlook and a strong quarter of headcount growth, we believe this is a normal seasonal variance and added to our holdings at an attractive price. We believe Booz Allen is well positioned to enjoy solid earnings growth in the coming years.

Market capitalisation (ASX: WGB)

\$637.5m*

Gross assets

\$762.1m

Listed equities

\$707.9m

Investment portfolio performance (pa since inception June 2018)

6.0%[^]

MSCI World Index (AUD): 9.2%

Dividends paid since inception (per share)

30.0c

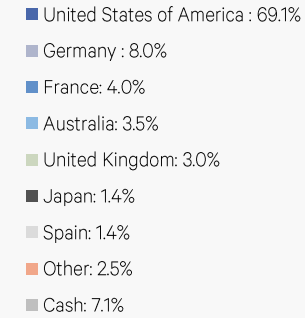
Annualised fully franked interim dividend yield

6.4%*

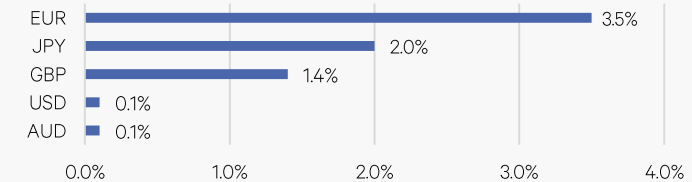
*Based on the 28 February 2023 share price of \$1.81 per share and the annualised FY23 fully franked interim dividend of 11.5 cents per share. WAM Global has 352,185,340 shares on issue.

[^]Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

Portfolio by geographical exposure

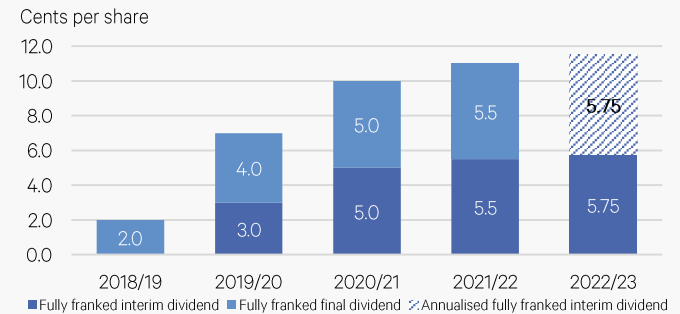


Cash currency exposure

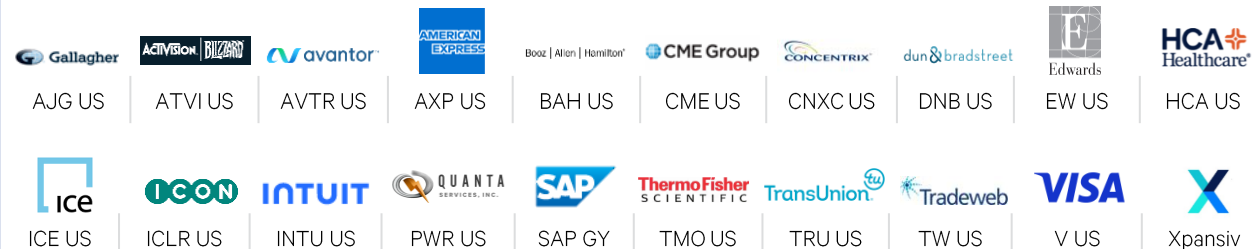


History of fully franked dividends

The Board declared a fully franked interim dividend of 5.75 cents per share payable on 24 April 2023. The Company's ability to continue paying fully franked dividends is dependent on generating additional franking credits through the payment of tax on profits. Currently, the franking account balance of the Company is able to frank the interim dividend and partially frank the final dividend, assuming the final dividend is also 5.75 cents per share. If no additional franking is generated, there is a possibility of future dividends being partially franked or unfranked.



Top 20 holdings (in alphabetical order)



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
February 2023	216.47c	216.28c	223.38c
January 2023	214.16c	214.32c	221.77c

W | A | M *Alternative Assets*

Unique opportunities beyond traditional assets

The WAM Alternative Assets (ASX: WMA) investment portfolio increased during the month, primarily driven by the underlying performance of private equity investments within the portfolio.

In February 2023, WAM Alternative Assets' investment partner, Fortitude Investment Partners (FIP), successfully contracted the sale of the last asset in the Hotel Funds portfolio. FIP first begun the exit process in April 2022 and the WAM Alternative Assets investment portfolio has benefitted from the receipt of the exit proceeds, which were achieved at a premium to their underlying carrying value. The sale of the last two assets is expected to settle over the coming months.

Since the end of the month, WAM Alternative Assets commitment to Barwon Investment Partners, in the Barwon Institutional Healthcare Property Fund (BIHPF), was partially drawn down. BIHPF is a \$1.3 billion fund targeting healthcare or healthcare related properties such as hospitals, private specialist facilities, day surgeries and medical centres and ancillary healthcare assets in Australia. The investment in BIHPF aligns with WAM Alternative Assets long-term thematic portfolio construction approach, with the thematic being a growing aging population. We look forward to deploying the remaining commitment to BIHPF in 2023. This investment along with the deployment of \$30 million to our investment partner, Palisade Investment Partners, in January 2023, provides the WAM Alternative Assets investment portfolio with an attractive income return from a diversified portfolio of infrastructure and healthcare assets.

Market capitalisation (ASX: WMA)

\$213.4m*

Gross assets

\$244.8m

Investment portfolio performance

(pa since appointment of Wilson Asset Management as Investment Manager October 2020)

13.1%[^]

Profits reserve (per share)

20.0c

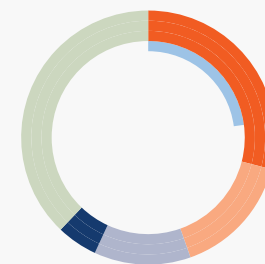
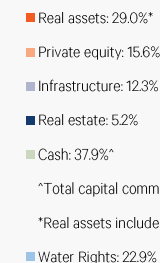
Annualised fully franked interim dividend (per share)

5.0c

[^]Based on the 28 February 2023 share price of \$1.095 per share. WAM Alternative Assets has 194,887,687 shares on issue.

[^]Investment portfolio performance is before expenses, fees and taxes.

Asset class exposure



Portfolio structure	Current value		+/- Prior month	
	\$m	%	\$m	%
Real assets	71.1	29.0	0.1	0.1
Private equity	38.1	15.6	1.1	3.0
Infrastructure	30.1	12.3	0.1	0.3
Real estate	12.8	5.2	0.2	1.6
Cash [^]	92.7	37.9	(1.6)	(1.7)
Grand total	244.8	100.0	(0.1)	0.0

[^]Includes undrawn capital commitments to the Crescent Capital Partners VII (\$15.0m); the Barwon Institutional Healthcare Property Fund (\$12.4m); the Intermediate Capital Group Australian Senior Loan Fund (\$10.0m); the Allegro Fund IV (\$9.8m); the CEN (I&L) Partnership Fund (\$6.5m); the Adamantem Capital Fund II (\$5.8m) and the Strategic Australian Agriculture Fund (\$1.3m). During the month, \$1.6m of tax was paid.

Asset Classes

Real assets

Agricultural assets and investments in perpetual water entitlements which can be sold or leased to irrigators to generate income.

Private equity

Unlisted companies with long-term and accelerated growth potential.

Real estate

Domestic and international industrial, healthcare and office assets.

Infrastructure

Mid-market infrastructure assets across a range of essential services and facilities including air and sea transport, renewable energy and utilities.

Private debt

Senior secured loans to established Australian and New Zealand-based businesses.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
February 2023	125.39c [^]	123.48c	122.23c
January 2023	125.43c	122.69c	121.64c

[^]The NTA before tax is after the payment of \$1.6m (0.84 cents per share) in tax during the month.

Top holdings

Real assets



Water Fund

Pioneer and leading non-irrigator water investor in Australia

Strategic Australian Agriculture Fund

Investing across Australian water entitlements, farmland and associated businesses and agricultural infrastructure

Private equity



A provider of outsourced e-commerce solutions in South-East Asia



A manufacturer of premium condiments, desserts and beverages

Infrastructure

Palisade's Diversified Infrastructure Fund

Palisade's Renewable Energy Fund

Real estate

2 Rector Street, Manhattan, New York

Centennial CEN (I&L) Partnership Fund

Barwon Institutional Healthcare Property Fund

New Investment Partners



Mid-market private equity buy-out strategy



Australian senior secured loan strategy



Last-mile logistics real estate strategy



Australian healthcare real estate strategy



Mid-market infrastructure strategy



Mid-market private equity strategy with a focus on healthcare



Turnaround, special situations and transformation private equity strategy

W | A | M Strategic Value

Discounted asset opportunities.

The WAM Strategic Value (ASX: WAR) investment portfolio decreased during the month. The investment portfolio demonstrated defensive qualities in February, aided by the cash balance and a decreasing share price discount to net tangible assets (NTA) across a number of our investments despite the overall market volatility. NAOS Small Cap Opportunities Company (ASX: NSC) was a contributor to investment portfolio performance and NGE Capital (ASX: NGE) was a detractor to investment portfolio performance during the period.

NAOS Small Cap Opportunities Company invests primarily in a concentrated portfolio of emerging Australian listed equities that are not included in the S&P/ASX 100 Index with the objective of providing investors with genuine exposure to small-cap industrial companies, with a long-term value focus. During February, the Board of Directors declared a 1.25 cents per share fully franked quarterly dividend for the 3 months ending 31 December 2022. Annualised, this represents a 7.3% fully franked dividend yield and a grossed-up dividend yield of 10.4% based on the 28 February 2023 share price. The NAOS Small Cap Opportunities Company investment portfolio increased 4.9% in February 2023, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 8.6%. The share price during the period did not keep pace with the investment portfolio performance, increasing 4.6%, which resulted in the share price discount to NTA widening to 23.0% at the end of the month. In February, WAM Strategic Value took advantage of volatility in the share price to increase our holdings as we believe the discount to NTA will narrow over time. As at 22 February 2023, the investment portfolio has a substantial holding of 8.85%.

NGE Capital provides investors with exposure to a concentrated, high conviction, actively managed portfolio of financial assets. During the month, NGE Capital's pre-tax NTA increased 2.4% in contrast to the overall weakness in the Australian equity market. Despite the positive performance of the concentrated investment portfolio, the share price declined 5.1%, resulting in a widening of the share price discount to NTA from 17.6% to 23.7% during the month. We continue to believe that the current share price provides an attractive opportunity to access an investment strategy that has delivered 10.9% per annum NTA growth for investors since inception in November 2016 and we expect the discount will dissipate over time.

Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains	NTA after tax
February 2023	114.29c	114.25c	118.96c
January 2023	115.31c	115.34c	119.51c

Market capitalisation (ASX: WAR)

\$180.1m*

Fully franked interim dividend

1.5cps

Gross assets

\$205.5m[^]

Pre-tax net tangible assets

\$1.14

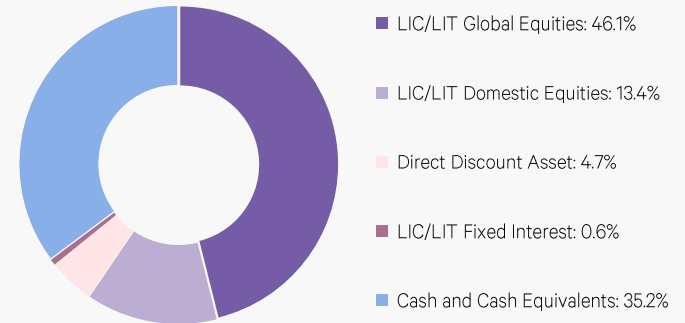
*Based on the 28 February 2023 share price of \$1.00 per share and 180,125,761 shares on issue.

[^]Gross assets exclude the \$777k offer costs receivable balance associated with the Initial Public Offer (repayable by the Investment Manager).

About WAM Strategic Value

WAM Strategic Value will take advantage of market mispricing opportunities, including securities trading at discounts to assets or net tangible assets, corporate transactions and dividend yield arbitrages. WAM Strategic Value aims to deliver strong risk-adjusted returns derived from a portfolio primarily composed of discounted asset opportunities selected using the proven market-driven investment process we have developed over more than two decades.

Diversified investment portfolio by listed investment company/trust (LIC/LIT) sector



February 2023 look-through pre-tax NTA

\$1.29

Look-through NTA before tax

The Australian Accounting standards require the Company's pre-tax NTA to be calculated based on the market price (or share price) of the underlying investment portfolio. The Company's look-through pre-tax NTA is an estimation of the Company's pre-tax NTA calculated using the estimated or most recently available pre-tax NTA of the underlying investment portfolio as at the end of the month where available. The look-through pre-tax NTA of the Company is indicative only and provides an estimate for investors of the value of the underlying investment portfolio, assuming the share price discount to NTA of the underlying discounted asset opportunities are closed.

Top holdings (in alphabetical order)

 AMP	 CIN	 EAI	 GDC	 LRK	 LSF	 MGF	 NSC
 PIA	 QRI	 QVE	 RG8	 SEC	 TEK	 VG1	 WGB*

WAM Strategic Value received WAM Global shares as scrip consideration for Templeton Global Growth Fund shares previously held.

W | A | M Research

The most compelling undervalued growth opportunities in the Australian market.

The WAM Research (ASX: WAX) investment portfolio decreased during the month. Global tourism operator Tourism Holdings (ASX: THL) was a contributor to the investment portfolio performance, while diversified contract services provider NRW Holdings (ASX: NWH) was a detractor.

Tourism Holdings is a global tourism operator and the largest commercial recreational vehicle rental operator in the world. In February, the company announced strong FY2023 half-year results and record guidance, outlining that it now expects an improved underlying net profit after tax to be above NZD75 million. The guidance was reflective of the strong trading in the first half of FY2023 and a positive outlook for the remainder of FY2023. We continue to remain positive on Tourism Holdings' outlook as the tourism industry continues to recover and the business benefits from synergies following the merger with Apollo Tourism & Leisure.

NRW Holdings is a civil and structural engineering company focused on the mining and government infrastructure sectors. In February, the company released its FY2023 half-year results, with earnings before interest, taxes and amortisation (EBITA) of \$80.1 million. The result was below market expectations and was largely due to poor weather surrounding its East Coast operations and increased tendering costs. Despite the disappointing first half-year result, NRW Holdings maintained its full-year earnings guidance of \$162 million to \$172 million EBITA. We believe that the business is well placed to win new contracts over the coming months which will boost earnings into the next financial year.

Market capitalisation (ASX: WAX)

\$263.7m[#]

Gross assets

\$190.9m

Listed equities

\$175.2m

Investment portfolio performance (pa since change in investment strategy July 2010)

13.7%[^]

S&P/ASX All Ordinaries Accumulation Index: 8.8%

Dividends paid since inception (per share)

134.0c

Annualised fully franked interim dividend yield

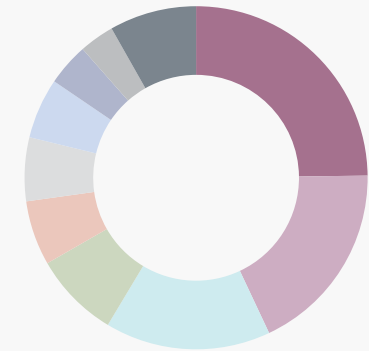
7.6%[#]

[#]Based on the 28 February 2023 share price of \$1.3225 per share and the annualised FY23 fully franked interim dividend of 10.0 cents per share. WAM Research has 199,431,782 shares on issue.

[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

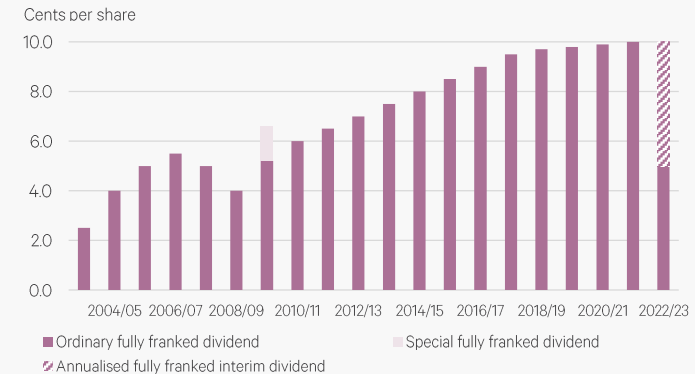
Diversified investment portfolio by sector

- Industrials: 24.8%
- Consumer discretionary: 18.2%
- Health care: 15.6%
- Consumer staples: 8.1%
- Financials: 6.1%
- Real estate: 6.0%
- Materials: 5.7%
- Information technology: 4.0%
- Communication services: 3.3%
- Cash: 8.2%



History of fully franked dividends

The Board declared a fully franked interim dividend of 5.0 cents per share payable on 21 April 2023. The Company's ability to generate franking credits is dependent upon the payment of tax on profits and the quantum of fully franked dividends received from investee companies. Currently, the franking account balance of WAM Research is able to frank the interim dividend and a portion of the final dividend, assuming the final dividend is also 5.0 cents per share. If no additional franking is generated, there is a possibility of future dividends being partially franked or unfranked.



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
February 2023	95.42c	100.59c	101.66c
January 2023	98.84c	105.17c	103.97c

*Includes 5.60 cents per share of income tax losses available to the Company in future periods.

Top 20 holdings (in alphabetical order)

APM	CAJ	CCP	DTL	EHE	GEM	IPH	JLG	LIC	LOV
MGH	MYR	NWH	PME	PRN	RIC	SGF	SHV	THL	WEB

W | A | M *Active*

Market mispricing opportunities in the Australian market.

The WAM Active (ASX: WAA) investment portfolio decreased during the month. Out-of-home media company oOh!media (ASX: OML) was a contributor to the investment portfolio performance, while online furniture and homeware retailer Temple & Webster Group (ASX: TPW) was a detractor.

oOh!media is one of Australia's largest out-of-home media companies with a network of more than 37,000 digital and static asset locations. In February, the company announced its financial results for the calendar year ended 31 December 2022, noting an adjusted net profit after tax (NPAT) of \$56.2 million, up 34.3% from \$12.7 million in the prior year. Adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) also increased by 64% to \$127.1 million compared to the prior year. We believe that out-of-home media continues to have a strong runway of structural growth, and we remain positive on oOh!media.

Temple & Webster Group is a pure play online retailer of furniture and homewares. During the month, the company released its half-year results, with revenue of \$207.1 million which was down year-on-year from \$235.4 million in FY2022 and noted that sales in the first five weeks of the 2023 calendar year was also down 7%. The negative results and overall market sentiment led to the sell-off in the company shares, with share price dropping 26.9% on the day of the results announcement. Despite the slowing growth in home goods retail, we believe Temple & Webster Group remains in a great position to leverage the long-term opportunity to expand into the e-commerce space in the Australian furniture and homewares sector.

Market capitalisation (ASX: WAA)

\$59.7m[#]

Gross assets

\$55.5m

Listed equities

\$51.8m

Investment portfolio performance (pa since inception Jan 2008)

9.7%[^]

Bloomberg AusBond Bank Bill Index (Cash): 2.8%

Dividends paid since inception (per share)

86.7c

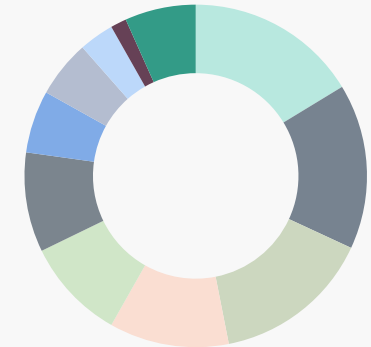
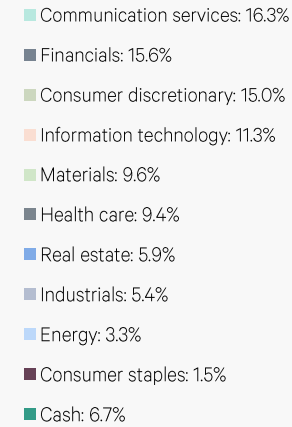
Annualised fully franked interim dividend yield

7.5%[#]

[#]Based on the 28 February 2023 share price of \$0.80 per share and the annualised FY23 fully franked interim dividend of 6.0 cents per share. WAM Active has 74,619,042 shares on issue.

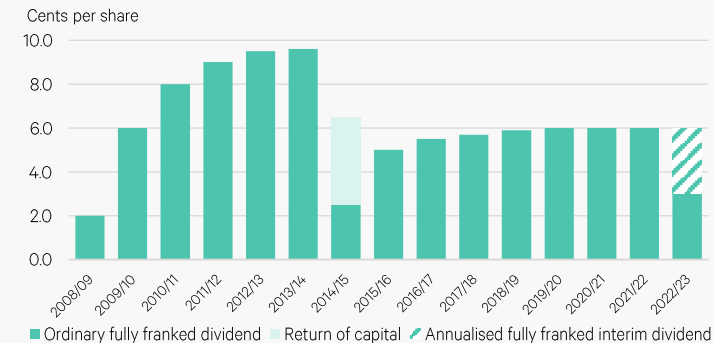
[^]Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

Diversified investment portfolio by sector



History of fully franked dividends

The Board declared a fully franked interim dividend of 3.0 cents per share payable on 21 April 2023. The Company's ability to continue paying fully franked dividends is dependent on generating additional profits reserves and franking credits. The ability to generate franking credits is reliant on the receipt of franked dividends from investee companies and the payment of tax on profits.



Net Tangible Assets (NTA) per share

	NTA before tax	NTA after tax and before tax on unrealised gains*	NTA after tax*
February 2023	74.06c [^]	83.67c	84.60c
January 2023	75.64c	84.90c	85.54c

[^]The NTA before tax is after the payment of \$160k (0.21 cents per share) in tax during the month.
^{*}Includes 10.08 cents per share of income tax losses available to the Company in future periods.

Top 20 holdings (in alphabetical order)

