

Oversubscribed WAM Microcap Share Purchase Plan and Placement

25 August 2020
ASX announcement

- WAM Microcap raises more than \$88.0 million through SPP and Placement
- More than 55% of existing WAM Microcap shareholders invested \$58.7 million in the SPP

The WAM Microcap Limited (ASX: WMI) Share Purchase Plan (SPP) and Placement have closed oversubscribed following overwhelming demand from shareholders, raising a combined \$88.0 million.

WAM Microcap Chairman Geoff Wilson AO said: "We have had an overwhelming response to the SPP and Placement from our shareholders and greatly appreciate the trust, loyalty and support we have received. More than 3,900 existing WAM Microcap shareholders took up the SPP, together raising \$58.7 million," he said.

The SPP, announced 3 August 2020, offered existing shareholders* the opportunity to acquire up to \$30,000 worth of new shares in the Company at the July pre-tax net tangible assets of \$1.379 per share without incurring brokerage costs. WAM Microcap shares closed at \$1.52 shares on Monday, 24 August 2020.

Shareholders who participated in the SPP will be entitled to receive the fully franked final dividend of 3.0 cents per share and the fully franked special dividend of 3.0 cents per share on shares issued under the offer**.

The Board of Directors has allocated the SPP oversubscriptions on a pro rata basis to existing shareholders, based on their holding on the record date, to ensure the most equitable outcome for all shareholders. Notably, shareholders who held an unmarketable parcel of \$500 worth of shares, or less, were entitled to receive the minimum application amount under the Offer. The Board of Directors opted to forgo their participation in the Offer to reduce the oversubscription amount and allow for greater allocation to other shareholders.

Separately, existing WAM Microcap professional and sophisticated investors# participated in a Placement at the same price and under the same terms as the SPP. The Placement raised \$29.3 million and was oversubscribed and subject to scale back. Shares raised through the SPP and Placement will be issued on Monday, 31 August 2020 and will rank pari passu with existing shares.

"The strong investment portfolio outperformance of 17.5% during the 12-month period to 30 June 2020 contributed to the increased fully franked final and special dividends and we are pleased with the overwhelming support for the SPP and Placement," Mr Wilson said.

Wilson Asset Management CEO and WAM Microcap Director Kate Thorley said: "WAM Microcap's growth would provide shareholders with benefits in addition to the acquisition of shares without paying brokerage costs".

"The Company's larger capital base increases the liquidity of the shares and its relevance in the market, by improving the prospect of broker and research coverage and interest from financial planners. The Company will also gain additional access and exposure to market opportunities, such as capital raisings and pre-IPO investments, that will deliver benefits to all shareholders," she said.

Taylor Collison Limited acted as lead manager to the Placement.

*Shareholders on the WAM Microcap register as at 7:00pm (Sydney time) on Friday, 31 July 2020, with a registered address in Australia or New Zealand.

**Assumes shares issued under the Offer are held on the dividend record date of Tuesday, 13 October 2020.

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

About WAM Microcap

WAM Microcap Limited (ASX: WMI) has an investment management agreement with Wilson Asset Management. Listed in June 2017, WAM Microcap provides investors access to a portfolio of undervalued micro-cap growth companies with a market capitalisation of less than \$300 million at the time of acquisition. WAM Microcap also provides exposure to relative value arbitrage and market mispricing opportunities. WAM Microcap's investment objectives are to deliver a stream of fully franked dividends, provide capital growth over the medium-to-long term and preserve capital.

All major platforms provide access to WAM Microcap, including BT Panorama, Colonial First State FirstWrap, Netwealth, Macquarie Wrap, Powerwrap and Hub24. WAM Microcap receives coverage from the following independent investment research providers:



About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for more than 20 years. As the investment manager for six leading LICs: WAM Capital, WAM Leaders, WAM Global, WAM Microcap, WAM Research and WAM Active, Wilson Asset Management invests over \$3 billion on behalf of more than 85,000 retail investors. Wilson Asset Management is the creator and lead supporter of Future Generation Australia and Future Generation Global, a passionate advocate for retail investors and a member of the global philanthropic Pledge 1% movement.



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

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

Geoff Wilson AO

Chairman &
Chief Investment Officer
(02) 9247 6755

Kate Thorley

Chief Executive Officer
(02) 9247 6755

Jesse Hamilton

Chief Financial Officer
0401 944 807

James McNamara

Head of Corporate Affairs
0416 734 080