

WAM Capital Extends Unconditional Offer for CLF

19 October 2020
ASX announcement

WAM Capital Limited (ASX: WAM) refers to the unconditional off-market takeover bid for Concentrated Leaders Fund Limited (ASX: CLF) on the terms set out in its bidder's statement dated 3 September 2020, supplemented on 7 October 2020 and as varied on 12 October 2020 (Offer).

WAM reminds CLF Shareholders that on 13 October 2020 it freed the Offer from all the Defeating Conditions and the Offer is now unconditional.

WAM advises that the Offer has been extended until 7.00pm (Sydney time) on 16 November 2020 (unless otherwise extended or withdrawn).

Enclosed is a copy of a notice pursuant to sections 630(2) and 650D(1) of the Corporations Act 2001 (Cth).

The Offer from WAM values CLF Shares at \$1.276 per share¹, representing:

- a **28.9% premium** to CLF's Share price before the announcement of the Offer; and
- a **21.5% premium** to CLF's 30 September 2020 pre-tax net tangible assets (NTA).

If you accept the Offer you will receive the WAM fully franked final dividend of 7.75 cents per WAM Share² on 27 November 2020.

The Offer provides you with a choice:

- (a) remain a WAM Shareholder; or
- (b) utilise WAM's superior on-market liquidity to exit your position.

When you accept the Offer you will receive 2 new WAM Shares for every 3.7 CLF Shares. The ASX-listed price of WAM Shares and CLF Shares is the only tangible and realisable value of those shares. Outside of WAM's Offer, the CLF Share price is the sole value that shareholders can currently exit (or enter) their investment at, notwithstanding CLF's NTA.

CLF Shareholders who do not wish to become long-term WAM Shareholders can accept the Offer and utilise WAM's superior on-market liquidity to exit their position at a significant premium to both the CLF Share price and the CLF NTA. Without the Offer from WAM, CLF Shareholders have no alternative mechanism to exit their investment at a premium.

While there are many factors that may influence the market price of CLF Shares, the recent improvement in the CLF Share price is as a direct result of WAM's Offer; it does not reflect the substantial discount to CLF's NTA before the announcement of the Offer.

There is a real risk that CLF Shares may fall to at or below the pre offer CLF share price after the close of the Offer from WAM if you do not accept.

To ACCEPT the Offer, complete the form previously mailed to you or call 1300 737 760 to request a replacement. The Offer is currently scheduled to CLOSE on 16 November 2020.

¹ Based on the WAM share price of \$2.36 as at 19 October 2020, the CLF 30 September 2020 reported pre-tax NTA of \$1.05 per share and the CLF Share price of \$0.99 as at 2 September 2020, being the date before the announcement of the WAM Offer.

² This assumes you accept the Offer and WAM Shares are issued to you by 20 November 2020. The WAM fully franked final dividend of 7.75 cents is payable on 27 November 2020.

Further information

Further information about the Offer is contained in the **Bidder's Statement**. If you have any questions regarding this proposed transaction, please call Chairman Geoff Wilson AO on 0412 242 712 or Chief Financial Officer Jesse Hamilton on 0401 944 807.

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

Capitalised terms in this announcement have the same meaning as the defined terms contained within the Bidder's Statement.

About WAM Capital

WAM Capital Limited (ASX: WAM) is a listed investment company (LIC) managed by Wilson Asset Management. Listed in August 1999, WAM Capital provides investors with exposure to an actively managed, diversified portfolio of undervalued growth companies listed on the ASX, with a focus on small-to-medium sized businesses. The Company's investment objectives are to deliver a stream of fully franked dividends, provide capital growth and preserve capital.

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 seven leading LICs: WAM Capital, WAM Leaders, WAM Global, WAM Microcap, WAM Alternative Assets, WAM Research and WAM Active, Wilson Asset Management invests over \$3.5 billion on behalf of more than 88,000 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.



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

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19 October 2020

WAM Capital Limited
ACN 086 587 395

Notice pursuant to sections 650D(1) and 630(2) of the Corporations Act 2001 (Cth)

To: Concentrated Leaders Fund Limited (CLF)
Australian Securities & Investments Commission (ASIC)
Each holder of ordinary shares in CLF
ASX Limited

WAM Capital Limited (ACN 086 587 395) (**WAM**) gives this notice (**Notice**) in relation to the offer dated 18 September 2020 (**Offer**) to acquire all of the ordinary shares in CLF on the terms set out in its bidder's statement dated 3 September 2020 (**Bidder's Statement**).

Unless defined to the contrary, words defined in the Bidder's Statement have the same meaning in this Notice.

Extension of Offer Period

Pursuant to section 650D(1)(a) of the Corporations Act 2001 (Cth) (**Corporations Act**), WAM gives notice that it varies its Offer so that the Offer Period is extended and will now close at 7.00pm (Sydney time) on 16 November 2020.

Date of Notice of Conditions

In accordance with section 630(2)(b) of the Corporations Act:

- a) the new date for giving notice of the status of the Defeating Conditions to which the Offer is subject is 9 November 2020; and
- b) the Offer was freed of all Defeating Conditions on 13 October 2020. Accordingly, the Offer is unconditional.

Authorisation

This Notice is dated 19 October 2020, being the date it was lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this Notice.

Signed for and on behalf of WAM Capital Limited by:

Geoff Wilson AO
Chairman