

# November 2020 Investment Update

Pre-tax NTA

|                                     |         |
|-------------------------------------|---------|
| W   A   M <i>Capital</i>            | \$1.77* |
| W   A   M <i>Leaders</i>            | \$1.29  |
| W   A   M <i>Global</i>             | \$2.50  |
| W   A   M <i>Microcap</i>           | \$1.56  |
| W   A   M <i>Alternative Assets</i> | \$1.07  |
| W   A   M <i>Research</i>           | \$1.13  |
| W   A   M <i>Active</i>             | \$0.99  |

\*WAM Capital's NTA before tax (cum dividend) is \$1.85. The WAM Capital fully franked final dividend of 7.75 cents per share was paid on 27 November 2020.

Dear Fellow Shareholders,

## WAM Global 66.7% increase in FY21 interim dividend guidance to 5.0 cents per share

We are pleased to share that on 10 December WAM Global Limited (ASX: WGB) [announced](#) FY2021 interim dividend guidance of 5.0 cents per share, a 66.7% increase on the FY2020 fully franked interim dividend. The dividend guidance has been made possible by the WAM Global investment portfolio's solid risk-adjusted performance in the financial year to date and the increased profits reserve of 41.9 cents per share, which represents 4.2 years of dividend coverage for shareholders. You can read coverage in [The Australian](#).

## WAM Alternative Assets Investor Q&A

WAM Alternative Assets Portfolio Manager Dania Zinurova and I will be holding a webinar at 11:00am (Sydney time) on **Tuesday, 15 December 2020**. We encourage you to ask any questions you may have. You can join the [webinar](#) or dial-in by calling 1800 590 693 and entering passcode 860910.

## WAM Vault

We released our second instalment of [WAM Vault](#), *The Case for Optimism*, on 20 November. If you have not yet done so, we encourage you to visit [wilsonassetmanagement.com.au/vault](http://wilsonassetmanagement.com.au/vault) to watch, read or listen to the engaging and insightful conversations. Complete this brief [survey](#) to let us know what you liked and what could be improved in 2021.

## November equity market overview

Global equity markets surged in November, as clarity on the US election outcome and progress on the coronavirus vaccines provided cause for optimism. Markets were greeted by three separate announcements, from Pfizer and BioNTech, Moderna and AstraZeneca and Oxford, that the respective vaccines are safe and effective in reducing cases of the coronavirus.

The outstanding question will be the speed at which these vaccines can be mass-produced, distributed, and the rate of global inoculation.

During the month, we witnessed a rotation from coronavirus beneficiaries to cyclical and highly impacted companies, and all major indexes rose: the S&P 500 Index by 10.8%, the NASDAQ Composite Index 11.8%, the UK FTSE 100 Index 12.4%, the Euro Stoxx 600 Index 13.7%, China's CSI 300 Index 5.6% and Japan's TOPIX Index 11.1% in local terms and the MSCI World Index (AUD) 7.5%.

The Reserve Bank of Australia unveiled a greater than expected bond buying program of \$100 billion and further reduced the cash rate to 0.10% in November. Social distancing and border restrictions are beginning to ease across the country in time for Christmas. The S&P/ASX All Ordinaries Accumulation Index rose 10.2% in November, and I shared with [The Australian](#) why I am cautiously optimistic for equities in 2021.

We all wish you and your family a safe and enjoyable festive season.

Thank you for your support.



**Geoff Wilson AO**  
Chairman &  
Chief Investment Officer





Wilson Asset Management

## LIC snapshot

### W | A | M *Capital*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAM

|                                  |         |
|----------------------------------|---------|
| Share price*                     | \$2.26  |
| NTA before tax                   | \$1.77  |
| Cash weighting*                  | 7.1%    |
| Fully franked full year dividend | 15.5cps |
| Profits reserve#                 | 17.9cps |

### W | A | M *Leaders*

Actively investing in the highest quality Australian companies

ASX: WLE

|                                                    |         |
|----------------------------------------------------|---------|
| Share price*                                       | \$1.345 |
| NTA before tax                                     | \$1.29  |
| Cash weighting*                                    | 4.2%    |
| Annualised fully franked interim dividend guidance | 7.0cps  |
| Profits reserve#                                   | 23.2cps |

### W | A | M *Global*

The world's most compelling undervalued growth companies

ASX: WGB

|                                                    |         |
|----------------------------------------------------|---------|
| Share price*                                       | \$2.40  |
| NTA before tax                                     | \$2.50  |
| Cash weighting*                                    | 3.2%    |
| Annualised fully franked interim dividend guidance | 10.0cps |
| Profits reserve#                                   | 41.9cps |

### W | A | M *Microcap*

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

ASX: WMI

|                                    |         |
|------------------------------------|---------|
| Share price*                       | \$1.825 |
| NTA before tax                     | \$1.56  |
| Cash weighting*                    | 10.5%   |
| Fully franked full year dividend** | 9.0cps  |
| Profits reserve#                   | 34.8cps |

### W | A | M *Alternative Assets*

Access to unique opportunities beyond traditional assets

ASX: WMA

|                   |            |
|-------------------|------------|
| Share price*      | \$0.94     |
| NTA before tax    | \$1.07     |
| Cash weighting*   | 23.8%      |
| Commencement date | 14 October |
| Profits reserve#  | 3.5cps     |

### W | A | M *Research*

The most compelling undervalued growth opportunities in the Australian market

ASX: WAX

|                                  |         |
|----------------------------------|---------|
| Share price*                     | \$1.51  |
| NTA before tax                   | \$1.13  |
| Cash weighting*                  | 12.0%   |
| Fully franked full year dividend | 9.8cps  |
| Profits reserve#                 | 36.5cps |

### W | A | M *Active*

Mispricing opportunities in the Australian market

ASX: WAA

|                                  |         |
|----------------------------------|---------|
| Share price*                     | \$1.125 |
| NTA before tax                   | \$0.99  |
| Cash weighting*                  | 9.1%    |
| Fully franked full year dividend | 6.0cps  |
| Profits reserve#                 | 10.8cps |

\*As at 11 December 2020.

\*\*Includes the fully franked special dividend of 3.0 cents per share (cps).

#The profits reserve figures are as at 30 November 2020 in cents per share (cps).

# WAM Global

The world's most compelling undervalued growth companies.

The WAM Global investment portfolio increased in November, with significant contributors to the investment portfolio performance including German online home furnishings retailer Home24 (ETR: H24) and financial services technology company Fiserv (NASDAQ: FISV).

Headquartered in Germany, Home24 is a leading home and living e-commerce company operating across Europe and Brazil, with an integrated end-to-end automated platform. The company owns and operates six warehouses and offers over 100,000 home furnishing products from third party labels and its own growing private label to almost two million customers. In November, Home24 announced an increase in active customers by 400,000 in the last two quarters and increasing demand, driving a 45% increase in third quarter gross order value on the prior corresponding period. With revenue up 54% year on year, the company also upgraded currency-adjusted revenue growth guidance for FY2020 to between 38% and 42%. Shares in Home24 will be included in the German SDAX index of Deutsche Börse from 21 December 2020, Germany's small and mid-cap index, and the company's Brazilian subsidiary, Mobly, filed preliminary documentation for a potential listing in Brazil in 2021, strengthening Home24's growth strategy.

Fiserv is a leading global provider of integrated information management and electronic commerce systems and services to approximately 16,000 clients, with a large portion in the financial services industry. Fiserv has a unique, defensive growth position and a near 35-year history of double-digit earnings per share growth, which it expects will grow at least 11% in 2020. In November, Fiserv announced a share buyback program authorisation of 60 million shares. This is in addition to the shares remaining under the company's existing authorisation. This has been made possible because of the strong free cash flow generation of the business since its merger with First Data. The company also launched a business intelligence platform during the month, enabling financial institutions to optimise card portfolios. The platform harnesses market intelligence along with business and cardholder data by aggregating key data and delivering actionable insights in easy-to-use, interactive dashboards. You can listen to Lead Portfolio Manager Catriona Burns and Senior Equity Analyst Nick Healy discuss the WAM Global portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|          | NTA before tax       | NTA after tax and before tax on unrealised gains | NTA after tax |
|----------|----------------------|--------------------------------------------------|---------------|
| Nov 2020 | 249.56c <sup>^</sup> | 247.28c                                          | 243.09c       |
| Oct 2020 | 237.26c              | 235.89c                                          | 233.82c       |

<sup>^</sup>The NTA before tax is after the payment of \$2.0m (0.96 cents per share) in tax during the month.

## Market capitalisation (ASX: WGB)

\$478.6m<sup>#</sup>

## Gross assets

\$539.3m<sup>\*</sup>

## Listed equities

\$514.9m

## Investment portfolio performance (pa since inception June 2018)

9.9%<sup>^</sup>

MSCI World Index (AUD): 10.4%

## Annualised fully franked interim dividend guidance

10.0c

## Cash weighting

4.5%

<sup>#</sup>Based on the 30 November 2020 share price of \$2.25 per share and 212,714,212 shares on issue.

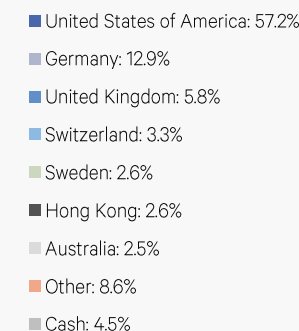
<sup>\*</sup>Gross assets exclude the \$261k offer costs receivable balance associated with the Initial Public Offer (repayable by the Investment Manager).

<sup>^</sup>Investment portfolio performance and index returns are before expenses, fees and taxes.

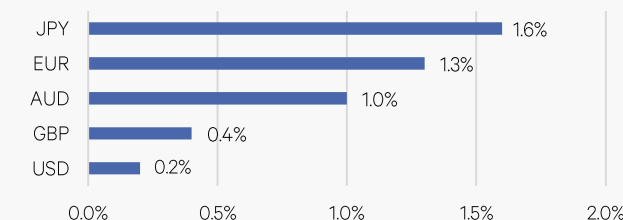
## Top 20 holdings (in alphabetical order)

|                                                                                                 |                                                                                              |                                                                                                 |                                                                                               |                                                                                                   |                                                                                                 |                                                                                                      |                                                                                                               |                                                                                            |                                                                                               |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
|  Tencent 腾讯 |  AON    |  API Group |  Avantor |  AutoZone    |  CME Group |  DOLLAR GENERAL |  EA                      |  FIS  |  fiserv. |
| 700 HK                                                                                          | AON US                                                                                       | APG US                                                                                          | AVTR US                                                                                       | AZO US                                                                                            | CME US                                                                                          | DG US                                                                                                | EA US                                                                                                         | FIS US                                                                                     | FISV US                                                                                       |
|  home24     |  Hasbro |  ICE       |  LOWE'S  |  Nomad Foods |  STRÖER    |  softwareONE    |  ThermoFisher SCIENTIFIC |  VISA |  ZEBRA   |
| H24 GR                                                                                          | HAS US                                                                                       | ICE US                                                                                          | LOW US                                                                                        | NOMD US                                                                                           | SAX GR                                                                                          | SWON SW                                                                                              | TMO US                                                                                                        | V US                                                                                       | ZBRA US                                                                                       |

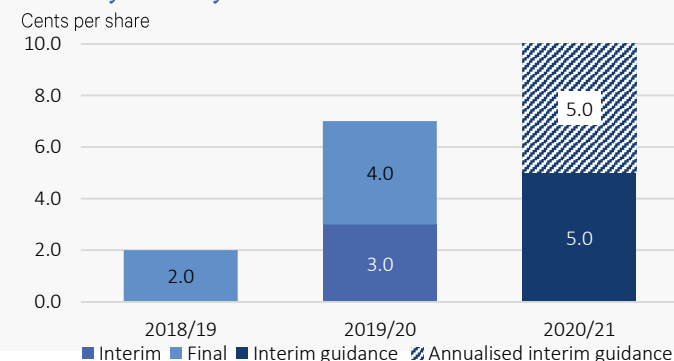
## Portfolio by geographical exposure



## Cash currency exposure



## History of fully franked dividends



# W | A | M Capital

The most compelling undervalued growth opportunities in the Australian market.

The WAM Capital investment portfolio increased in November, with significant contributors to the investment portfolio performance including automotive parts and software services company Infomedia (ASX: IFM) and grain and oilseed operator GrainCorp (ASX: GNC).

Infomedia is a leading provider of parts, services and data insights to the global automotive industry. In November, the company secured a strategic contract with Ford Europe valued at \$14 million over five years, to provide the next generation of Ford's electronic parts catalogue in the European region. The contract allows Infomedia to continue to focus on the parts and services element of the value chain, expanding usage of its integrated parts selling platform and taking advantage of the trend towards innovative technology solutions in the automotive industry. Management has provided an aspirational target to double revenue over the next five years, and we are positive about Infomedia's ability to increase its current 0.5% market share in the global automotive dealership software market going forward.

GrainCorp handles, receives and stores agricultural commodities including grain and assists with the transporting, testing, storing and marketing of agricultural products. With a September financial year end, the company issued its FY2020 results in November that highlighted a significant lift in financial performance despite the impact of drought, with underlying earnings before interest, tax, depreciation and amortisation from continued operations of \$108 million and a fully franked full year dividend of 7.0 cents per share. The FY2021 outlook is strong with a record East Coast crop tracking ahead of expectations. GrainCorp is leveraged to an increase in crop volumes and we believe that the efficiency gains and cost savings implemented by management over the past years will materialise in financial performance. You can listen to Lead Portfolio Manager Oscar Oberg and Portfolio Manager Tobias Yao discuss the WAM Capital portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

The below November NTA figures are **after** the fully franked final dividend of 7.75 cents per share that was paid on 27 November 2020. The shares traded ex-dividend on 19 November 2020.

|          | NTA before tax (cum-dividend) | NTA before tax       | NTA after tax and before tax on unrealised gains* | NTA after tax* |
|----------|-------------------------------|----------------------|---------------------------------------------------|----------------|
| Nov 2020 | 184.84c <sup>^</sup>          | 177.09c <sup>^</sup> | 181.64c                                           | 183.03c        |
| Oct 2020 | -                             | 172.70c              | 179.33c                                           | 181.72c        |

\*The NTA before tax is after the payment of \$32m (0.42 cents per share) in tax during the month.

<sup>^</sup>Includes 0.85 cents per share of tax assets resulting from the acquisition of unlisted investment companies and 8.12 cents per share of income tax losses available to the Company in future periods.

## Market capitalisation (ASX: WAM)

\$1,689.8m<sup>#</sup>

## Gross assets

\$1,344.6m

## Listed equities

\$1,220.7m

## Investment portfolio performance (pa since inception Aug 1999)

16.3%<sup>^</sup>

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

## Dividends paid since inception (per share)

254.0c

## Fully franked dividend yield

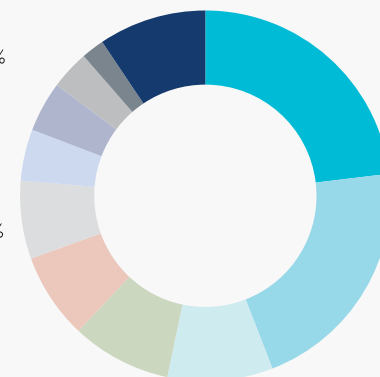
7.0%<sup>#</sup>

<sup>#</sup>Based on the 30 November 2020 share price of \$2.22 per share and the FY20 fully franked full year dividend of 15.5 cents per share. WAM Capital has 761,191,878 shares on issue. During the month, 18,374,193 shares were issued as part of the CLF and CIE takeover offers and 3,556,920 shares were issued under the Dividend Reinvestment Plan for the final dividend.

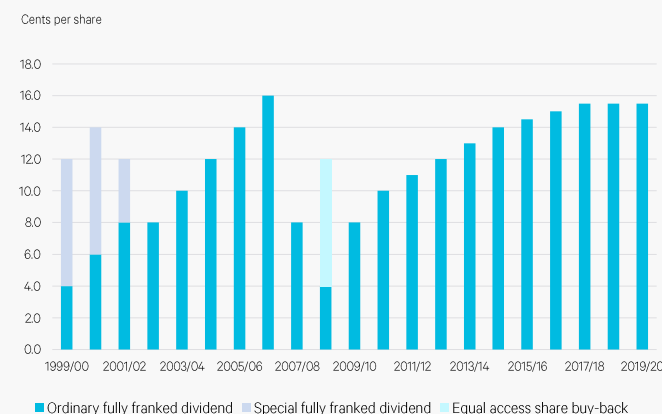
<sup>^</sup>Investment portfolio performance and index returns are before expenses, fees and taxes.

## Portfolio by sector

- Financials: 23.1%
- Consumer discretionary: 21.0%
- Information technology: 9.2%
- Industrials: 8.7%
- Consumer staples: 7.5%
- Health care: 6.8%
- Communication services: 4.5%
- Materials: 4.4%
- Energy: 3.4%
- Real estate: 2.0%
- Cash: 9.4%



## History of fully franked dividends



## Top 20 holdings (in alphabetical order)

|                |                  |                |                                        |                           |                 |                                  |                    |                              |                                   |
|----------------|------------------|----------------|----------------------------------------|---------------------------|-----------------|----------------------------------|--------------------|------------------------------|-----------------------------------|
| <b>AFG</b>     | <b>AUI</b>       | <b>BWX</b>     | <b>CODAN</b>                           | <b>Contango.</b>          | <b>CFL</b>      | <b>CONCENTRATED LEADERS FUND</b> | <b>Elders</b>      | <b>Fletcher Building</b>     | <b>FLIGHT CENTRE TRAVEL GROUP</b> |
| AFG            | AUI              | BWX            | CDA                                    | CIE                       | CKF             | CLF                              | ELD                | FBU                          | FLT                               |
| <b>healius</b> | <b>INFOMEDIA</b> | <b>Ingenia</b> | <b>PENGANA INTERNATIONAL RESOURCES</b> | <b>Ramsay Health Care</b> | <b>THE STAR</b> | <b>SEALINK Travel Group</b>      | <b>UNITED MALT</b> | <b>VIVA Energy Australia</b> |                                   |
| HLS            | IFM              | INA            | PIA                                    | RHC                       | SGR             | SLK                              | TGG                | UMG                          | VEA                               |

# W | A | M Leaders

Actively investing in the highest quality Australian companies.

The WAM Leaders investment portfolio increased during the month, outperforming the S&P/ASX 200 Accumulation Index. Significant contributors to the investment portfolio outperformance included financial institution National Australia Bank (ASX: NAB) and energy company Santos (ASX: STO).

November marked a turning point in sentiment for the banks sector driven by falling mortgage deferrals, the US presidential election result and several coronavirus vaccine developments. Additionally, a key positive of National Australia Bank's FY2020 earnings result in early November versus the other major banks was the net interest margin (NIM), which declined only three basis points versus the other institutional banks reporting double-digit NIM declines. With a new management team driving a turnaround strategy, conservative provisions and a strong balance sheet, we are confident on the outlook for National Australia Bank and expect a continuation of positive recovery trends into 2021.

In November, we positioned the portfolio to take advantage of the rotation towards base metals and oil companies. Headquartered in Adelaide, Santos is Australia's second largest oil and gas producer. Santos' outperformance was driven by oil prices reaching an eight month high in late November amid a weakening US dollar, a surprise decline in US crude supplies and coronavirus vaccine news. On 1 December, Santos upgraded its 2020 production guidance to 87-89 million barrels of oil, and we believe it is well positioned to benefit from the economic recovery going forward. Santos has been a core position in WAM Leaders due to management's cost discipline and focus on profitable projects. You can listen to Lead Portfolio Manager Matthew Haupt and Portfolio Manager John Ayoub discuss the WAM Leaders portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|          | NTA before tax | NTA after tax and before tax on unrealised gains | NTA after tax |
|----------|----------------|--------------------------------------------------|---------------|
| Nov 2020 | 128.96c        | 125.47c                                          | 125.09c       |
| Oct 2020 | 114.78c        | 114.48c                                          | 115.09c       |

## Market capitalisation (ASX: WLE)

\$1,095.3m\*

## Gross assets

\$1,095.3m

## Listed equities

\$1,060.5m

## Investment portfolio performance (pa since inception May 2016)

12.7%<sup>^</sup>

S&P/ASX 200 Accumulation Index: 8.5%

## Dividends paid since inception (per share)

20.15c

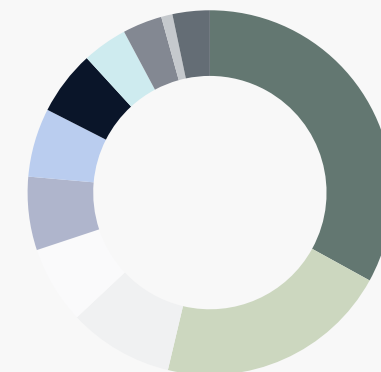
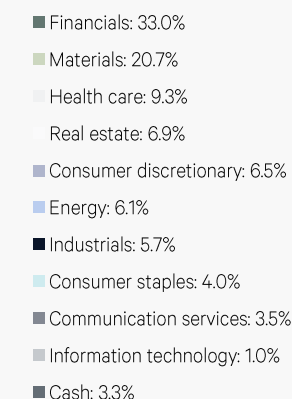
## Annualised fully franked interim dividend guidance yield

5.3%\*

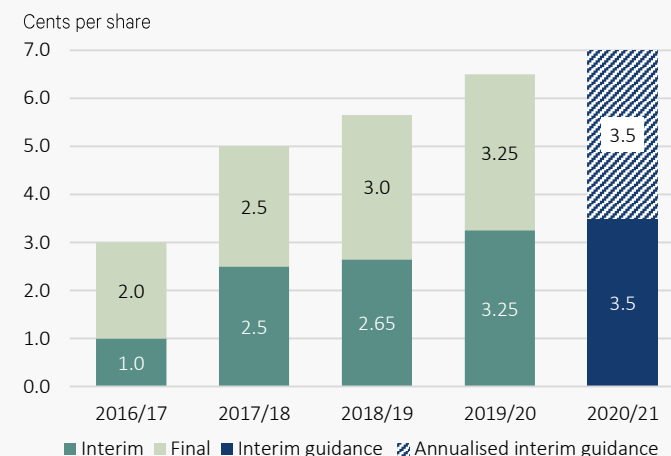
\*Based on the 30 November 2020 share price of \$1.31 per share and the annualised FY21 fully franked interim dividend guidance of 7.0 cents per share. WAM Leaders has 836,115,185 shares on issue.

\*Investment portfolio performance and index returns are before expenses, fees and taxes.

## Portfolio by sector



## History of fully franked dividends



## Top 20 holdings (in alphabetical order)





# W | A | M *Microcap*

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

The WAM Microcap investment portfolio increased in November, with significant contributors to the investment portfolio performance including childcare operator Evolve Education Group (ASX: EVO) and healthcare technology company Mach7 Technologies (ASX: M7T).

Evolve Education operates 120 childcare centres for pre-schoolers across New Zealand and Australia. In November, the company announced interim results for the six months ending 30 September 2020, reporting net profit after tax of NZD6.2 million, up 533.2% on the comparative period, and underlying earnings before interest, tax, depreciation and amortisation within the guidance range of NZD14.4 million to NZD14.8 million. The childcare industry has been significantly impacted throughout the coronavirus pandemic, and we believe the government will continue to support the industry as individuals return to the office and the expected need for childcare services increases. We also see the ability for Evolve to make accretive acquisitions given its strong balance sheet.

Mach7 develops data management solutions for healthcare providers to own, access and share patient data. In November, Mach7 signed a seven year contract with Trinity Health, the fifth largest integrated delivery network in the United States, valued at \$5.3 million. The contract will see Mach7's eUnity enterprise viewer, a diagnostic imaging platform, installed in 92 hospitals across 22 states. We are positive on Mach7's opportunity to expand its operations in coronavirus impacted regions such as the United States. You can listen to Lead Portfolio Manager Oscar Oberg and Portfolio Manager Tobias Yao discuss the WAM Microcap portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|          | NTA before tax | NTA after tax and before tax on unrealised gains | NTA after tax |
|----------|----------------|--------------------------------------------------|---------------|
| Nov 2020 | 155.58c        | 152.21c                                          | 145.89c       |
| Oct 2020 | 143.63c        | 141.86c                                          | 137.51c       |

## Market capitalisation (ASX: WMI)

\$340.0m<sup>#</sup>

## Gross assets

\$330.1m

## Listed equities

\$290.4m

## Investment portfolio performance (pa since inception June 2017)

23.5%<sup>^</sup>

S&P/ASX Small Ordinaries Accumulation Index: 10.0%

## Dividends paid since inception (per share)

21.75c

## Fully franked full year dividend

6.0c

## Fully franked special dividend

3.0c

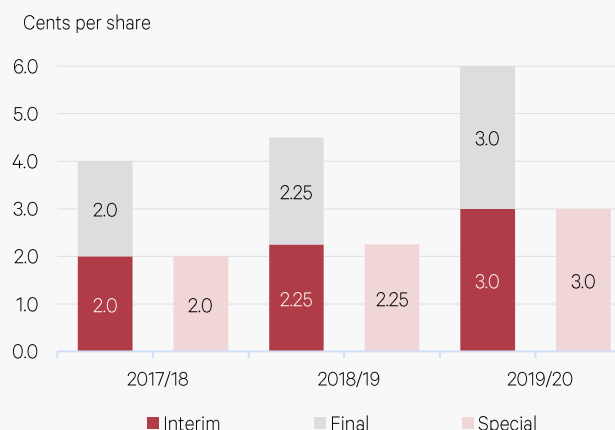
<sup>#</sup>Based on the 30 November 2020 share price of \$1.645 per share and 206,697,507 shares on issue.

<sup>^</sup>Investment portfolio performance and index returns are before expenses, fees and taxes.

## Portfolio by sector



## History of fully franked dividends



## Top 20 holdings (in alphabetical order)

|                  |            |                     |                       |            |         |        |                        |                              |                           |
|------------------|------------|---------------------|-----------------------|------------|---------|--------|------------------------|------------------------------|---------------------------|
| Aussie Broadband | Alliance   | BabyBunting         | CAPITOLHEALTH LIMITED | dusk       | DAMSTRA | enero  | evolve education group | generation development group | helloworld TRAVEL LIMITED |
| ABB              | AQZ        | BBN                 | CAJ                   | DSK        | DTC     | EGG    | EVO                    | GDG                          | HLO                       |
| HT&E             | INFO MEDIA | MotorCycle Holdings | PEOPLE INFRASTRUCTURE | SHAVE SHOP | 7M      | thl    | THE REACT SHOP         | virtus HEALTH                | VIVA LEISURE              |
| HT1              | IFM        | MTO                 | PPE                   | SSG        | SWM     | THL NZ | TRS                    | VRT                          | VVA                       |

# W | A | M *Alternative Assets*

*Access to unique opportunities beyond traditional assets*

One of the megatrends that underpins the WAM Alternative Assets investment strategy is digitalisation, which is the use of digital technologies and digitised data to impact how work gets done and transform how we transact with merchants and brands.

One of the investments in our private equity portfolio is a leading e-commerce enabler in Southeast Asia, which acts as the critical technology platform layer for brands to participate in digital commerce in the region. Southeast Asia remains the world's fastest growing internet market, driven by first-time consumers coming online primarily via mobile devices. The company has successfully grown its business and expanded its platform. November saw an increase in retail volume, with Singles Day, Black Friday and Cyber Monday and we were pleased to see the company generating strong results, with increased order volume significantly exceeding prior periods and company forecasts.

In November, Portfolio Manager Dania Zinurova participated in an Australian Infrastructure roundtable at the Infrastructure Investor Asia Summit 2020, organised by PEI Media. Dania discussed the investment opportunities in Australian infrastructure and Australian government support in deploying capital in both greenfield and brownfield infrastructure projects. Please join us for a WAM Alternative Assets focused [Investor Q&A](#) on 15 December at 11:00am (Sydney time). You can also listen to Portfolio Manager Dania Zinurova discuss the WAM Alternative Assets portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|                 | NTA<br>before tax | NTA after tax and<br>before tax on<br>unrealised gains | NTA<br>after tax |
|-----------------|-------------------|--------------------------------------------------------|------------------|
| <b>Nov 2020</b> | 106.58c           | 107.36c                                                | 106.76c          |
| <b>Oct 2020</b> | 104.77c           | 105.63c                                                | 105.31c          |

Market  
capitalisation  
(ASX: WMA)

\$186.1m\*

Share Price

\$0.96

Gross Assets

\$206.2m

Pre-tax net  
tangible assets

\$1.07

\*Based on 193,829,724 shares on issue.

## About WAM Alternative Assets

WAM Alternative Assets provides retail investors with exposure to a portfolio of real assets, private equity, real estate and aims to expand into new asset classes such as private debt and infrastructure. The Company's investment objectives are to consistently deliver absolute returns through a combination of dividend yield and capital growth, while providing diversification benefits.

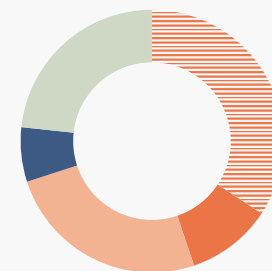
## Date of transition from BAF to WMA

14 October 2020

## Asset Class Exposure

- Real assets 44.8%\*
- Private equity 25.2%
- Real estate 6.7%
- Cash 23.3%

\*Total water entitlements exposure is 34.3%.



| Portfolio structure | Current value (\$m) |              | +/- Prior month |            |
|---------------------|---------------------|--------------|-----------------|------------|
|                     | \$m                 | %            | \$m             | %          |
| Real assets         | 92.4                | 44.8         | 1.5             | 1.7        |
| Private equity      | 51.9                | 25.2         | 1.4             | 2.8        |
| Real estate         | 13.8                | 6.7          | -               | -          |
| Cash*               | 48.1                | 23.3         | (0.4)           | (0.8)      |
| <b>Grand total</b>  | <b>206.2</b>        | <b>100.0</b> | <b>2.5</b>      | <b>1.2</b> |

\*Includes a \$13m capital commitment to the Strategic Australian Agriculture Fund.

## Real Assets

A diversified portfolio combining agricultural assets and investments in perpetual water entitlements which can be sold or leased to irrigators to generate income.

## Private Equity

A diversified portfolio of unlisted companies with long-term and accelerated growth potential.

## Real Estate

A portfolio of domestic and international industrial and office assets.

## Top holdings

### Real Assets



#### Water Fund

Pioneer and leading non-irrigator water investor in Australia.

#### Strategic Australian Agriculture Fund

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

### Private Equity



A manufacturer of premium condiments, desserts and beverages



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



Shopping centre advertising campaigns



A leading developer of utility-scale battery energy storage projects in the US



Owns and operates a portfolio of hotels in Australia



An Australian online wine retailer

### Real Estate



2 Rector Street,  
Manhattan, New York

441 Ninth Avenue,  
Manhattan, New York



Darra Industrial  
Income Fund,  
Queensland

Revesby Industrial  
Income Fund, New  
South Wales

The WAM Research investment portfolio increased in November, with significant contributors to the investment portfolio performance including automotive parts and software services company Infosmedia (ASX: IFM) and travel solutions provider Corporate Travel Management (ASX: CTD).

Infomedia is a leading provider of parts, services and data insights to the global automotive industry. In November, the company secured a strategic contract with Ford Europe valued at \$14 million over five years, to provide the next generation of Ford's electronic parts catalogue in the European region. The contract allows Infomedia to continue to focus on the parts and services element of the value chain, expanding usage of its integrated parts selling platform and taking advantage of the trend towards innovative technology solutions in the automotive industry. Management has provided an aspirational target to double revenue over the next five years, and we are positive about Infomedia's ability to increase its current 0.5% market share in the global automotive dealership software market going forward.

Corporate Travel provides customer service and business travel management solutions for companies. In November, the company completed its acquisition of Travel & Transport, a US travel firm based in Nebraska, for USD200 million. Corporate Travel has employed an effective cost savings program, providing ample liquidity to navigate the onset of the coronavirus pandemic over the next 24 months. We are positive on the outlook for Corporate Travel as recent vaccine developments have pulled forward the company's future revenue profile. You can listen to Lead Portfolio Manager Oscar Oberg and Portfolio Manager Tobias Yao discuss the WAM Research portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|          | NTA before tax | NTA after tax and before tax on unrealised gains* | NTA after tax* |
|----------|----------------|---------------------------------------------------|----------------|
| Nov 2020 | 112.58c        | 114.53c                                           | 113.35c        |
| Oct 2020 | 104.01c        | 106.77c                                           | 107.32c        |

\*Includes 5.74 cents per share of income tax losses available to the Company in future periods.

## Market capitalisation (ASX: WAX)

\$294.1m<sup>#</sup>

## Gross assets

\$223.4m

## Listed equities

\$196.8m

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

15.8%<sup>^</sup>

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

## Dividends paid since inception (per share)

114.1c

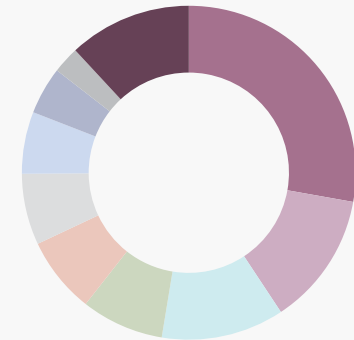
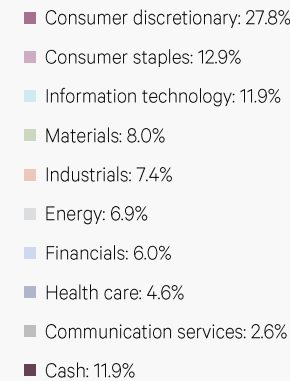
## Fully franked dividend yield

6.5%<sup>#</sup>

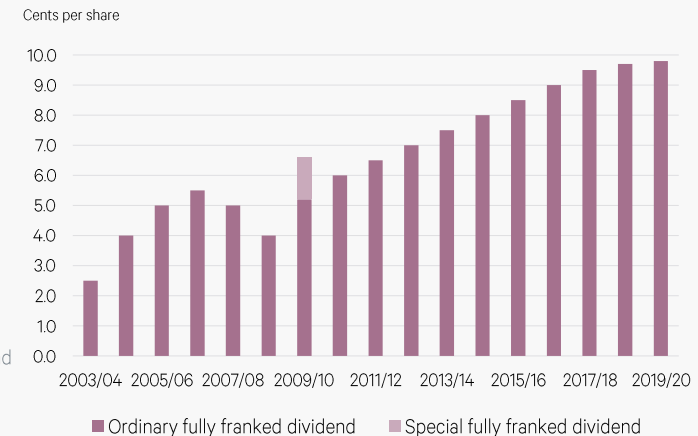
<sup>#</sup>Based on the 30 November 2020 share price of \$1.51 per share and the FY20 fully franked full year dividend of 9.8 cents per share. WAM Research has 194,743,490 shares on issue.

<sup>^</sup>Investment portfolio performance and index returns are before expenses, fees and taxes.

## Portfolio by sector



## History of fully franked dividends



## Top 20 holdings (in alphabetical order)

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| ADH | AFG | BAP | BKW | BRG | BWX | CDA | ELD | FBU | FLT |
| GEM | IEL | IFM | IMD | MYR | SLK | SVW | UMG | VEA | WOR |



# W | A | M Active

Market mispricing opportunities in the Australian market.

The WAM Active investment portfolio increased in November. Grain and oilseed operator GrainCorp (ASX: GNC) and online cosmetics retailer Adore Beauty Group (ASX: ABY) were among the significant contributors.

GrainCorp handles, receives and stores agricultural commodities including grain and assists with the transporting, testing, storing and marketing of agricultural products. With a September financial year end, the company issued its FY2020 results in November that highlighted a significant lift in financial performance despite the impact of drought, with underlying earnings before interest, tax, depreciation and amortisation from continued operations of \$108 million and a fully franked full year dividend of 7.0 cents per share. The FY2021 outlook is strong with a record East Coast crop tracking ahead of expectations. GrainCorp is leveraged to an increase in crop volumes and we believe that the efficiency gains and cost savings implemented by management over the past years will materialise in financial performance.

Adore Beauty listed on the ASX on 23 October 2020 and is Australia's only exclusively online beauty retailer. Launched in 2000 in the founder's backyard, Adore Beauty has grown to now stock more than 230 leading beauty brands, offering customers access to more than 11,000 products. The company had over 18.5 million website users across its Australian and New Zealand websites in FY2020 and as of 30 June 2020, serviced over 590,000 active customers. In November, promotional sales during the Black Friday and cyber weekend proved stronger than Adore Beauty's initial forecasts. Accordingly, the company updated forecast revenue guidance for the first half of FY2021 to approximately \$95.2 million, exceeding prospectus forecasts by 7%. You can listen to Lead Portfolio Manager Oscar Oberg and Portfolio Manager Tobias Yao discuss the WAM Active portfolio on [WAM Vault](#).

## Net Tangible Assets (NTA) per share

|          | NTA before tax | NTA after tax and before tax on unrealised gains* | NTA after tax* |
|----------|----------------|---------------------------------------------------|----------------|
| Nov 2020 | 99.33c         | 101.81c                                           | 101.81c        |
| Oct 2020 | 96.01c         | 99.46c                                            | 99.46c         |

\*Includes 4.14 cents per share of income tax losses available to the Company in future periods.

## Market capitalisation (ASX: WAA)

\$52.2m<sup>#</sup>

## Gross assets

\$47.6m

## Listed equities

\$40.9m

## Investment portfolio performance (pa since inception Jan 2008)

12.0%<sup>^</sup>

Bloomberg AusBond Bank Bill Index (Cash): 3.1%

## Dividends paid since inception (per share)

74.7c

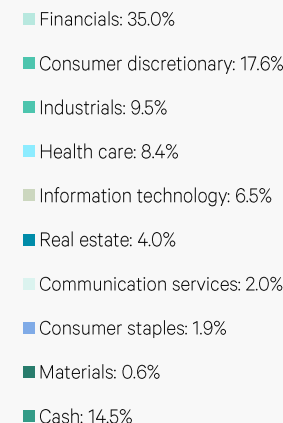
## Fully franked dividend yield

5.4%<sup>#</sup>

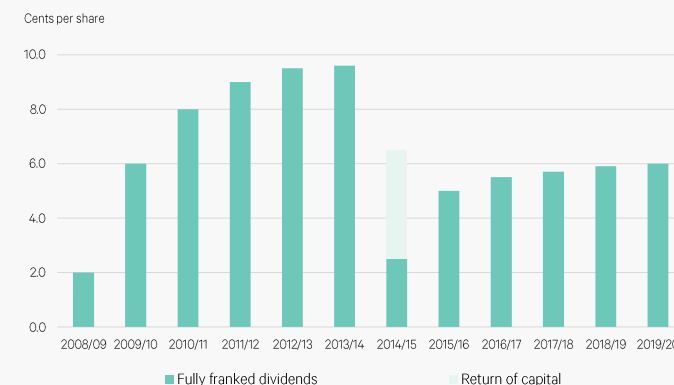
<sup>#</sup>Based on the 30 November 2020 share price of \$1.115 per share and the FY20 fully franked full year dividend of 6.0 cents per share. WAM Active has 46,806,096 shares on issue

<sup>^</sup>Investment portfolio performance is before expenses, fees and taxes.

## Portfolio by sector



## History of fully franked dividends



## Top 20 holdings (in alphabetical order)

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| AUI | CKF | DOW | GNC | HLS | INA | KBC | MMS | NEC | NXL |
| PDL | PIA | PMV | PTM | RHC | SDF | SGR | TGG | TYR | VOC |