

WAM Leaders increases fully franked interim dividend

13 February 2025
ASX announcement
and media release

Highlights

+12.2% p.a.

Investment portfolio
performance per annum
since inception (May-16)[^]

4.7 cps ↑

Fully franked interim
dividend

7.4%

Annualised fully franked
interim dividend yield^{*}

10.6%

Grossed-up
dividend yield^{**}

\$1.35 per share

Pre-tax NTA
at 31 January 2025

29.5 cps

Profits reserve
at 31 January 2025, before
the payment of the 4.7 cps
fully franked interim dividend

76.2 cps

Dividends paid since inception,
when including the value of
franking credits

Q&A webinar

**Friday 7 March 2025 at
3:00pm (Sydney time)**

Register to join WAM
Leaders Lead Portfolio
Manager Matthew
Haupt and Portfolio
Manager John Ayoub
for an update on the
WAM Leaders
investment portfolio.

Register now

The WAM Leaders Limited (ASX: WLE) Board of Directors has declared an increased fully franked interim dividend of 4.7 cents per share. The fully franked interim dividend represents an annualised fully franked dividend yield of 7.4%^{*} and a grossed-up dividend yield of 10.6%^{**} including franking credits.

Chairman Geoff Wilson AO said: “The investment portfolio performance since inception of 12.2%[^] per annum has allowed the Board to increase the fully franked interim dividend again to 4.7 cents per share. This provides an annualised fully franked dividend yield of 7.4%^{*}, well in excess of the yield on the S&P/ASX 200 Accumulation Index. The Board has increased the fully franked dividend every year since inception.”

The investment portfolio’s performance contributed to a significant increase in the Company’s operating profit. WAM Leaders reported a 184.7% increase in operating profit before tax to \$48.0 million (HY2024: \$16.9 million) and a 131.9% increase in operating profit after tax of \$38.9 million (HY2024: \$16.8 million) for the six months to 31 December 2024.

The strong investment portfolio over time has led to 3.1 years of dividend coverage, which is equivalent to 29.5 cents per share at 31 January 2025, before the payment of the fully franked interim dividend of 4.7 cents per share payable on 29 April 2025. Since inception in May 2016, the Company has delivered 53.35 cents per share in fully franked dividends to shareholders and 76.2 cents per share, including the value of franking credits.

In the half year to 31 December 2024, the investment portfolio increased 3.3%[^], while the S&P/ASX 200 Accumulation Index rose 6.9%. The underperformance was primarily due to a conscious decision to be underweight the banking sector. This positioning reflects the investment team’s disciplined and proven investment process, avoiding elevated valuations in favour of opportunities with greater risk-adjusted returns, underpinned by a commitment to capital preservation.

Lead Portfolio Manager Matthew Haupt said: “The investment portfolio has overweight positions in resources, consumer staples and communication services and is underweight the banking sector. Our strategic sector positioning along with careful stock selection gives us confidence for the year ahead.

“The decision to be overweight resources and consumer staples is underpinned by our view on China. We expect large scale stimulus measures to be announced at the National People’s Congress in March which will accelerate demand for commodities and consumer facing products in China, benefiting stocks such as Rio Tinto (ASX: RIO) and Treasury Wine Estates (ASX: TWE). The other consequence of this view is money flowing out of Australian banks which are currently at record high valuations.

“While the strategic underweight in the Australian banks and the historic position in The Star Entertainment Group (ASX: SGR) impacted performance in the half year, Star Entertainment is now less than 0.1% of the portfolio and we believe there is significant potential in the current investment portfolio. Our disciplined investment approach remains focused on identifying companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst that can deliver long-term value for investors”, Mr. Haupt added.

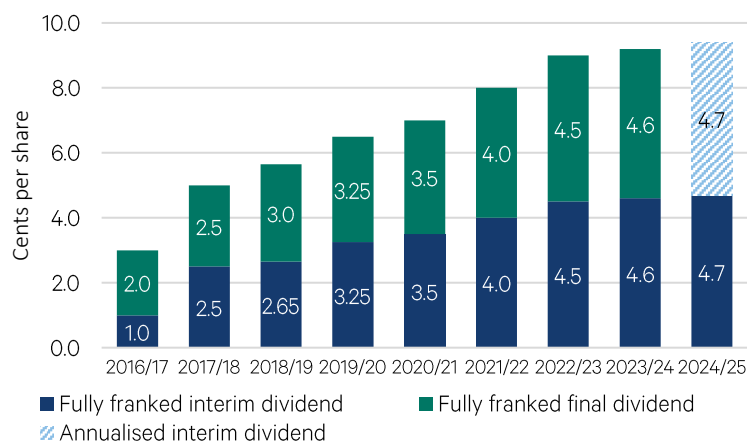
Over a five-year period, the investment portfolio has generated 11.8%^{*} per annum, outperforming the S&P/ASX 200 Accumulation Index by 3.7% per annum. Since inception, the investment portfolio has outperformed its benchmark by 3.0% per annum, with an average cash holding of 10.2%.

^{*}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.

^{*}Based on the 12 February 2025 share price of \$1.275 per share.

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

Fully franked dividends since inception



Key dividend dates

Ex-dividend date	11 April 2025
Dividend record date (7:00pm Sydney time)	14 April 2025
Last election date for DRP	16 April 2025
Payment date	29 April 2025

The Dividend Reinvestment Plan (DRP) is in operation and the recommended fully franked interim dividend of 4.7 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the volume weighted average market price (VWAP) of shares sold on the ASX over the four trading days commencing on the ex-dividend date for the relevant dividend. The DRP will operate without a discount for the fully franked interim dividend.

Investment portfolio performance since inception

Investment portfolio performance at 31 December 2024	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (May-16)
WAM Leaders Investment Portfolio	3.3%	4.2%	6.5%	11.8%	11.7%	12.2%
S&P/ASX 200 Accumulation Index	6.9%	11.4%	7.4%	8.1%	8.5%	9.2%
Outperformance	-3.6%	-7.2%	-0.9%	+3.7%	+3.2%	+3.0%

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.

Active sector weights

at 31 December 2024

Sector	Portfolio %*	Benchmark %	Active %
Materials	25.3	18.7	↑ 6.6
Communication services	9.4	3.7	↑ 5.7
Consumer staples	8.9	3.8	↑ 5.1
Real estate	9.6	6.8	↑ 2.8
Utilities	1.8	1.4	↑ 0.4
Energy	4.2	4.0	↑ 0.2
Information technology	3.3	3.2	↑ 0.1
Health care	9.7	9.8	↓ -0.1
Consumer discretionary	4.7	7.7	↓ -3.0
Industrials	2.3	7.2	↓ -4.9
Financials	17.0	33.7	↓ -16.7

*Investment portfolio held 3.8% cash.

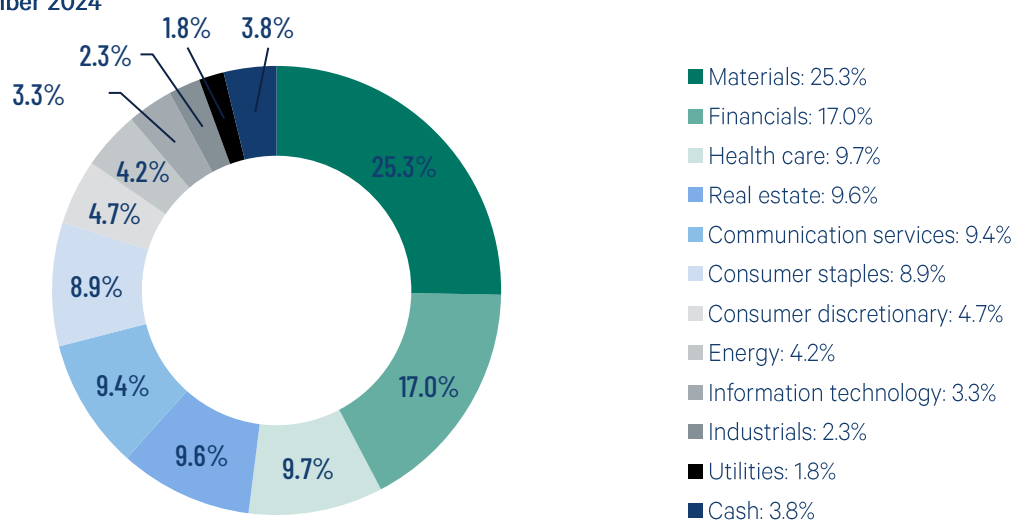
Top 20 holdings with portfolio weightings

at 31 December 2024

Code	Company name	%	Code	Company name	%
RIO	Rio Tinto Limited	6.6	TLS	Telstra Group Limited	2.3
BHP	BHP Group Limited	5.5	IAG	Insurance Australia Group Limited	2.2
SPK	Spark New Zealand Limited	5.0	NAB	National Australia Bank Limited	2.0
S32	South32 Limited	4.7	MGR	Mirvac Group	2.0
CSL	CSL Limited	4.0	SHL	Sonic Healthcare Limited	1.9
TWE	Treasury Wine Estates Limited	3.9	WDS	Woodside Energy Group Limited	1.8
A2M	The a2 Milk Company Limited	3.2	COL	Coles Group Limited	1.8
CGF	Challenger Limited	2.7	BEN	Bendigo and Adelaide Bank Limited	1.8
CBA	Commonwealth Bank of Australia	2.4	ANZ	ANZ Group Holdings Limited	1.7
DXS	Dexus	2.3	QBE	QBE Insurance Group Limited	1.5

Diversified investment portfolio by sector

at 31 December 2024



About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

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

Listed
May 2016



WAM Leaders receives coverage from the following independent investment research providers:



ORD MINNETT

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

About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 27 years. As the investment manager for eight leading LICs: WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Research (ASX: WAX), WAM Active (ASX: WAA) and WAM Strategic Value (ASX: WAR); and two unlisted funds: Wilson Asset Management Leaders Fund and Wilson Asset Management Founders Fund, Wilson Asset Management invests over \$5.9 billion on behalf of more than 130,000 retail and wholesale investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG), as well as Future Generation Women. Wilson Asset Management advocates and acts on behalf of retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by Wilson Asset Management and not the LIC.

Wilson
Asset Management

>\$5.9 billion
in funds under management

>200 Years
combined investment experience

27 Years
making a difference for shareholders

11
investment products

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

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