

Strong investment portfolio outperformance, increased fully franked interim dividend

20 February 2025
ASX announcement
and media release

Highlights

+31.7%

Investment portfolio performance in the twelve months to 31 December 2024*

+14.4%

Investment portfolio performance in the six months to 31 December 2024*

+8.9%

Investment portfolio outperformance of the S&P/ASX Small Ordinaries Accumulation Index in the six months to 31 December 2024

6.8%

Annualised fully franked interim dividend yield*

9.7% Grossed-up dividend yield#

92.5 cps

Fully franked dividends paid since inception in 2017, when including the value of franking credits

48.6 cps

Profits reserve at 31 January 2025, before the payment of the 5.3 cps fully franked interim dividend

\$1.47 per share

Pre-tax NTA at 31 January 2025

Q&A Webinar

Thursday 6 March 2025 at 2:00pm (Sydney time)

Register to join the investment team for our WAM Capital, WAM Microcap, WAM Research and WAM Active FY2025 Interim Results Q&A Webinar.

Register now

The WAM Microcap Limited (ASX: WMI) investment portfolio outperformed the S&P/ASX Small Ordinaries Accumulation Index by 8.9%, increasing 14.4%* in the six months to 31 December 2024. The investment portfolio performed strongly in the 2024 calendar year, increasing 31.7%* and outperforming the S&P/ASX Small Ordinaries Accumulation Index by a record 23.3%.

The strong investment portfolio outperformance contributed to a 257.9% increase in the Company's operating profit before tax of \$45.1 million (HY2024: \$12.6 million) and a 240.6% increase in operating profit after tax of \$32.5 million (HY2024: \$9.5 million) in the Company's FY2025 interim results.

The WAM Microcap Board of Directors declared an increased fully franked interim dividend of 5.3 cents per share payable on 30 April 2025. The fully franked interim dividend represents an annualised fully franked interim dividend yield of 6.8%*, and a grossed-up dividend yield of 9.7%#, when including the value of franking credits.

Chairman Geoff Wilson AO said: "The investment team have again delivered investment portfolio performance well in excess of the S&P/ASX Small Ordinaries Accumulation Index with strong outperformance in each financial year since inception."

Lead Portfolio Manager Oscar Oberg said: "The team and I were pleased to deliver strong investment portfolio outperformance for WAM Microcap shareholders and we thank them for their continued support. Looking ahead, the interest rate cuts forecast for the second half of 2025 will provide a positive environment for initial public offerings and capital raisings. We expect to see a number of opportunities for corporate activity that will benefit the investment portfolio."

The Company has 4.6 years of dividend coverage, based on the profits reserve of 48.6 cents per share at 31 January 2025, before the payment of the fully franked interim dividend of 5.3 cents per share. Since inception in June 2017, WAM Microcap has paid 64.75 cents per share in fully franked dividends to shareholders and 92.5 cents per share when including the value of franking credits. This has resulted in an average fully franked dividend yield on the initial public offering price of 8.4%, and a grossed-up dividend yield of 12.0%# when including the value of franking credits.

Contributors to the investment portfolio outperformance included Zip Co (ASX: ZIP) and Tuas (ASX: TUA), with both companies rallying strongly during the six months to 31 December 2024. Since inception, WAM Microcap has delivered over \$187.6 million in dividends and franking credits to shareholders.

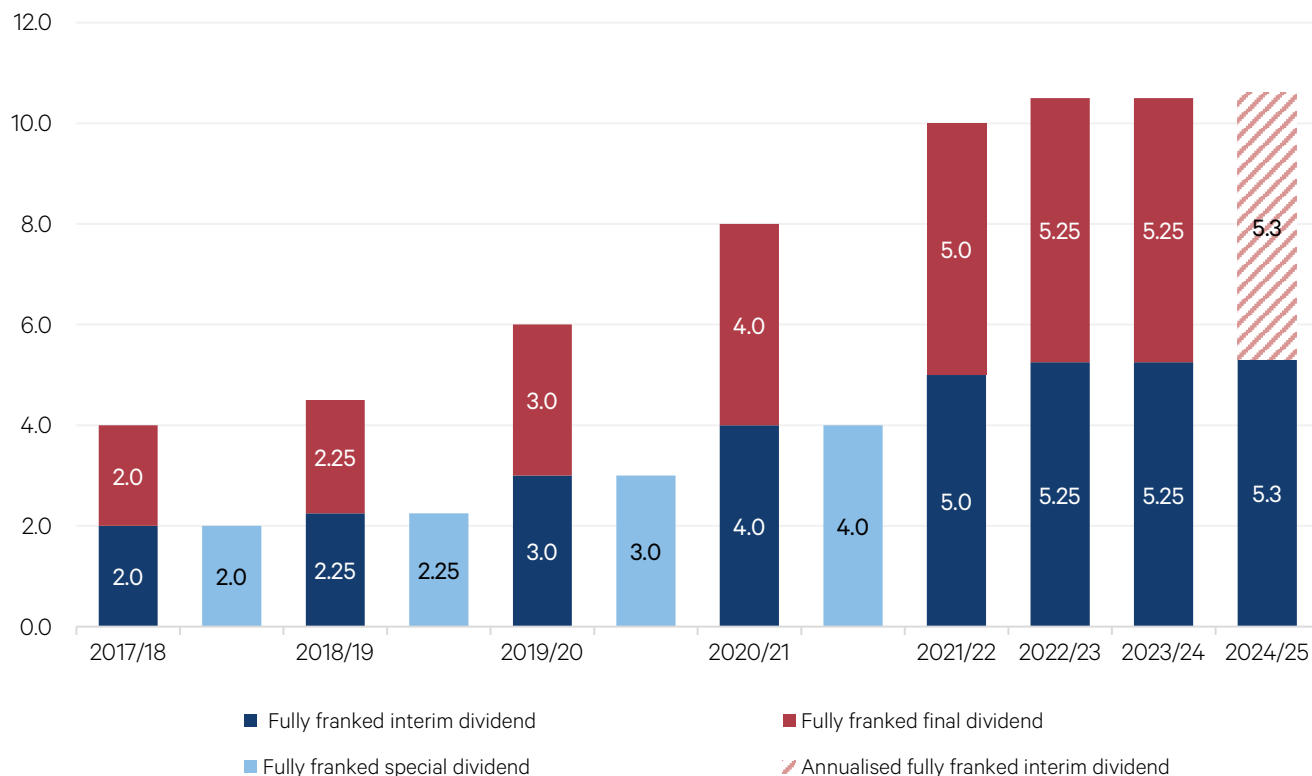
*Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

*Based on the 19 February 2025 share price of \$1.555 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

Cents per share



Key dividend dates

Ex-dividend date	14 April 2025
Dividend record date (7:00pm Sydney time)	15 April 2025
Last election date for DRP	17 April 2025
Payment date	30 April 2025

The Dividend Reinvestment Plan (DRP) is in operation and the recommended fully franked interim dividend of 5.3 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

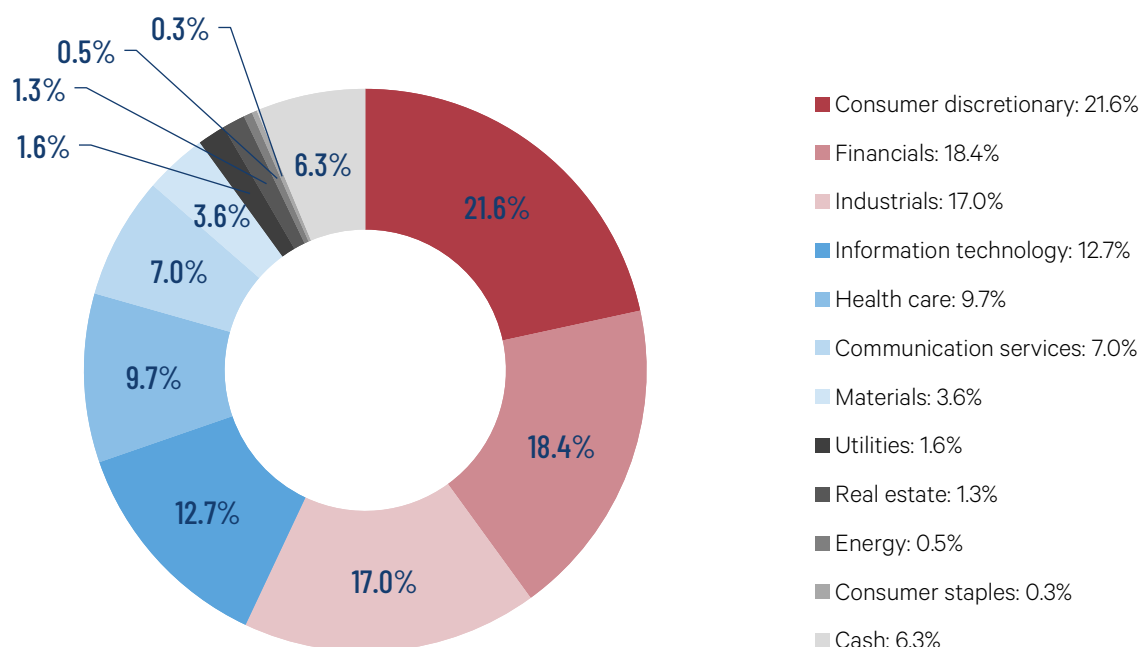
Investment portfolio performance at 31 December 2024	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Jun-17)
WAM Microcap Investment Portfolio	14.4%	31.7%	5.9%	14.3%	16.9%
S&P/ASX Small Ordinaries Accumulation Index	5.5%	8.4%	-1.6%	4.0%	6.4%
Outperformance	+8.9%	+23.3%	+7.5%	+10.3%	+10.5%

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

Top 20 holdings with portfolio weightings at 31 December 2024

Code	Company name	%	Code	Company name	%
TUA	Tuas Limited	4.2%	PGC	Paragon Care Limited	2.1%
GTK	Gentrack Group Limited	3.0%	EML	EML Payments Limited	2.1%
UNI	Universal Store Holdings Limited	2.5%	ACL	Australian Clinical Labs Limited	2.1%
GDG	Generation Development Group Limited	2.5%	ZIP	Zip Co Limited	2.0%
SSM	Service Stream Limited	2.4%	EVO	Embark Early Education Limited	2.0%
ANG	Austin Engineering Limited	2.3%	n/a	Xpansiv Limited	2.0%
QOR	Qoria Limited	2.2%	PBH	PointsBet Holdings Limited	2.0%
DSE	Dropsuite Limited	2.2%	IDX	Integral Diagnostics Limited	1.8%
AIM	AI-Media Technologies Limited	2.1%	REG	Regis Healthcare Limited	1.8%
SNL	Supply Network Limited	2.1%	ADH	Adairs Limited	1.6%

Diversified investment portfolio by sector at 31 December 2024



About WAM Microcap

WAM Microcap Limited (ASX: WMI) 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 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
June 2017



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



This announcement has been authorised by the Board of WAM Microcap 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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